THE Freeman

IDEAS ON LIBERTY

APRIL 1959

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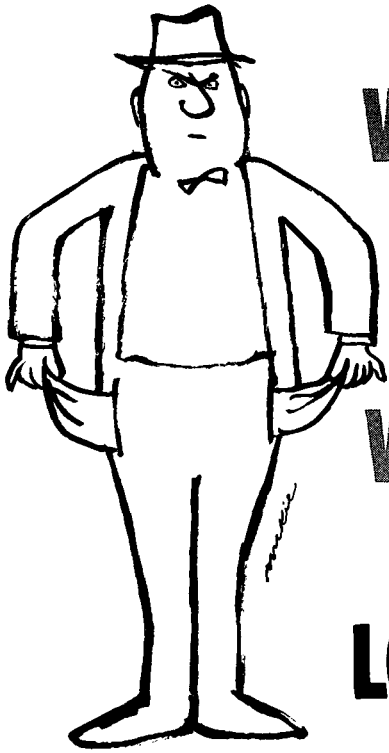

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THE Freeman

A MONTHLY JOURNAL OF IDEAS ON LIBERTY

APRIL 1959 Vol. 9 No. 4

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THE FREEMAN is published monthly by the Foundation for Economic Education, Inc., a nonpolitical, nonprofit educational champion of private property, the free market, the profit and loss system, and limited government, founded in 1946, with offices at Irvington-on-Hudson, New York. Any interested person may receive its publications for the asking. The costs of Foundation projects and services, including THE FREEMAN, are met through voluntary donations. Total expenses average $12.50 a year per person on the mailing list. Donations are invited in any amount — $5.00 to $10,000 — as the means of maintaining and extending the Foundation's work.

Accepted as controlled circulation publication at Irvington, N. Y., with additional entry at New York, N. Y. Copyright, 1959, The Foundation for Economic Education, Inc. Printed in U.S.A.

Additional copies, postpaid, to one address: Single copy, 50 cents; 3 for $1.00; 25 or more, 20 cents each.

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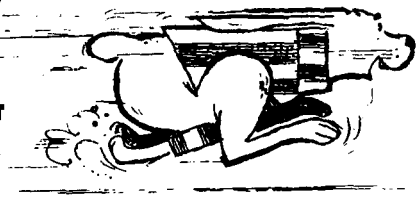
Runaway SPENDING Brings Crisis in Local Governments



LAWRENCE SULLIVAN

ALL LOCAL GOVERNMENT in the United States is in deep financial distress. Inflation is increasing costs much faster than the cities, counties, and states can find new sources of revenue.

In their 1959 sessions virtually all our state legislatures face difficult budget deficits.

The current deficit in California ranges between $200 million and $250 million, the final figure to be determined by administrative decisions.

With a budget of $2 billion for New York State, Governor Rockefeller recommended an increase in the state gasoline tax from 4 cents to 6 cents a gallon, plus higher state income tax rates, and more local taxes on cigarettes. In all, new taxes requested total $277 million a year.

In Massachusetts, Governor Furcolo asked the legislature for $90 million a year in new taxes. "No other Governor in the history of Massachusetts ever has asked for so much in new revenues at one time," says the Massachusetts budget survey.

An official study in Connecticut found "the big problem is how to meet growing state expenses without operating in the red."

The Idaho survey concluded, "How to raise $15 million for schools is a problem."

From Illinois: "Lawmakers must scratch for new funds for both hospitals and schools."

Maryland needs more new revenues to finance a general increase in teachers' pay promised last year.

Michigan faces a deficit of $65 million this year. The legislature had before it 13 specific proposals for tax increases.

Montana faces a current deficit of $5 million.

Oregon discovered a crisis in

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her unemployment trust fund, plus an embarrassing deficit in her operating budget.

South Carolina faces a deficit of $15 million.

Texas faces a deficit of $55 million this year, and $74 million next year, if all presently authorized programs are expanded at the rate now fixed by law.

Washington State faces a deficit of $80 million this year.

Other states seeking new revenues to avert 1959 deficits are Alabama, Colorado, Georgia, Minnesota, Nebraska, New Mexico, North Carolina, North Dakota, Ohio, Oklahoma, Rhode Island, South Dakota, Wisconsin, and Wyoming.

Washington, D. C. is no exception to the rule for cities. Early in January a committee of the House of Representatives warned the commissioners for the District of Columbia against their rapidly expanding municipal payroll. "The percentage of payroll increase in the District of Columbia has gone up in recent years far more than in any other similar city in the population class." In 1952, Washington D. C. carried 19,676 on the city payroll; the current total is 23,421.

A 1957 survey by the Federal Reserve Bank of Philadelphia reported that state and local budgets have increased from less than 5 per cent of the gross national product in 1946, to 9 per cent for 1956.

Almost without exception since 1953 all local and state government units in Pennsylvania and New Jersey have been operating in the red. Some now approach the limits of their borrowing power.

This Federal Reserve study relates the stormy meeting of a local school board which demanded an immediate new school.

"But ends barely meet as it is," the treasurer interrupted. "How are we going to pay for a new building? We still owe a lot of money on the gym we built in 1953. We'll have to have higher taxes before we can take on anything more."

"I don't think the public will stand for more taxes," another member of the board interjected. "We've already raised taxes twice, and people are beginning to grumble."

Looking to Washington

U.S. Budget Director Maurice H. Stans tells of a meeting to discuss a new bridge in the Midwest. Part of the cost was to be borne by the city, state, and county, but no division of allotments could be agreed upon. "Everybody was unhappy, and there was no solution in sight until one fellow at the end of the table suggested

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brightly: 'Let's get the money from Washington – then nobody'll have to pay for it.'"

In 1946 state and local spending was only 18 per cent of all governmental spending in the U.S. Today the state and local total makes 36 per cent of all public spending.

Three states in the Northeast and all their cities over 25,000 population went into the red by a total of $1.4 billions during the four fiscal years, 1953-56 inclusive.

Growing deficits in Dixie were surveyed in the January 1959 bulletin of the Atlanta Federal Reserve Bank. "State and local governments borrowed at a record rate in 1958. . . . The borrowing trend of state and local governments in the [Atlanta] District still appears to be upward....The demand for public services continues unabated and, in a sense, feeds upon itself. . . . Although some new sources of revenue may still be untapped, they are certainly dwindling. . . . The time, therefore, may be approaching when the public must choose between a school or a shiny new automobile, a sewer or a new television set."

Public Profligacy

Population increase, of course, justifies some annual increase in local budgets. Since 1946 city and county populations have increased by roughly 25 per cent on national averages.

In most urban areas, per capita income has increased upwards of 60 per cent since 1946. There is hardly a community in the country which could not afford to sustain *normal* growth in public services out of current income.

But what community can cover the pinch of inflation, when it costs $2.46 today to duplicate what $1.00 brought in new construction in 1945?

In 1945 hospital construction was estimated on the basis of $10,000 per bed. Today's hospitals are calculated on the basis of $25,000 per bed.

"Charge it!" appears to be the guiding mood of the city fathers everywhere.

Thus, budget demands have far exceeded, percentage-wise, both population growth and improvement in per capita income. Extravagance approaching public profligacy at the state and local levels is another grave factor in today's fiscal crisis. Local taxpayers must take matters in hand. In many areas, grumbling taxpayers already are looking to their political powder horns.

A revealing incident epitomizing the Wallingford spending mood of local supervisors comes to

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light in Montgomery County, Maryland, a wealthy and booming suburban area adjoining Washington, D.C. For many years new schools were located on 5-acre plots. Recent county regulations make the new area 30 acres per school – the legal limit on areas taken by eminent domain. In one instance the school site alone, with road frontage and storm drainage, cost $10,000 per acre – or a total of $300,000 before ground was broken for the new school!

Many suburban counties across the land today face critical shortages of schoolrooms. Yet scores of these same counties already have launched junior colleges, extending public education through two or four years of college, while some of their first and second grades still are on split-shifts, or housed in quonset-type tempos.

Roads and Streets

New roads and streets necessarily deferred during the wartime restrictions on building materials, create another major problem in local finances. Since the war, auto registration has doubled in most states. But no community has yet caught up with this growth, plus the backlog of streets and highways neglected during the years 1941-46. And all this highway development postponed during the war then fell on top of a mountain of deferred extensions accumulated during the depression years 1932-42, when most cities and counties maintained their fiscal equilibrium only by avoiding all expansion and renewal of streets, alleys, and highways.

In most areas, however, these deferred highway demands overlapped similar wartime backlogs in hospitals, schools, waterworks, and fire prevention. Trying to catch up all at once, during the last decade, with 25 years of deferred demand plus a 25 per cent population increase presents the raw skeleton of today's national crisis in local finances.

First Things First

Every state and every local board faces the stern task of perfecting a slate of orderly priorities on public improvements. No community can do everything at once – today's controlling mood.

Extravagance must be curbed through alert public auditing committees of taxpayers. With federal aid available in virtually every facet of local operations, the tendency to conceal real costs from local taxpayers is becoming a dangerous national habit.

Trick budgets are strong encouragement to runaway spending. Hardly a city, county, or state in the U.S. today presents its annual budget in two columns headed *in-*

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come and *outgo*. Instead, every budget is a maze of "segregated revenues," "earmarked funds," "special purpose taxes," "statutory items," and "restricted revenues" – until the poor, befuddled taxpayer has difficulty determining whether his community is really in the black, or hopelessly overboard with "deferred capital items."

It should not be necessary for citizens to hire professional CPA's to find out what their local budgets add up to from year to year.

Honest budgets, and straightaway accounting statements published monthly by legal requirement, would permit the taxpayers to know what their master planners are doing to them from month to month.

"Urban Renewal"

In many urban areas today new apartment buildings are being constructed which yield to the local government roughly $150 a year per unit in taxes. But each apartment gives, on national averages, 1.8 pupils to the public school system. Each pupil costs the county about $200 per year. So each apartment adds $360 a year to the school budget, and contributes approximately $150 a year in taxes! This is jocularly called "urban renewal."

Such is the road traveled today by literally thousands of growing communities – the very core of the ever-increasing wail for more and more systems of federal aid.

But with the federal establishment currently in the red at $12 billion a year, there are no longer any untapped revenues, anywhere, to supply the local deficits.

Total taxes in America today – federal, state, and local – take 28 per cent of the gross national product every year. And total government spending consumes 30 to 33 per cent of the gross national product. One reputable tax authority estimates that every employed person in America now works until April 14 merely to pay his year's taxes. Then, on April 15, he starts to work for himself and his family.

Classical theories of taxation teach that no community can sustain itself in a state of solvency when the total tax burden exceeds 20 per cent of the gross product. Americans have been paying more than 20 per cent since 1940. And today state and local expenditures combined are increasing by more than 10 per cent a year, and state and local debt since 1940 has increased at the average rate of 12 per cent per year.

Congressman Wilbur D. Mills of Arkansas, chairman of the House Ways and Means Committee, presents vigorously the crux of the

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revenue problem at all levels of government: "In recent years one popular way of imagining ourselves out of this problem has been to assume that the increase in revenues resulting from the growth of the economy will outstrip government expenditures."

Only one figure need be cited to explode this theory, Congressman Mills insists; total public debt has increased steadily from $38.7 billions in 1932 to $333 billions at the end of 1958.

During the same period, gross national product has increased from $56 billion a year to the present $450 billion.

During the last quarter-century our gross national product has been multiplied by 8 but total governmental expenditures have been multiplied by 10.

Learning to Say "No!"

Only effective public disciplines can stop this headlong rush toward inflation, national bankruptcy, and chaos.

Obviously, we are all in for some stern local budgets.

Somehow, we must devise, at every level of government, a system of buying only what we can afford.

Economists have recognized since history began that there is no end of human wants. Only the disciplines of civilization can hold public spending within the limits of community resources. Taxpayers are now aware that many of the welfare-state luxuries devised during the last quarter-century are still carried on the cuff of the public debt.

True, some one group in every community regards each program of public service as indispensable to human felicity. Public belt-tightening means simply that each community must somehow arrive at a solid public judgment on what the local treasury can afford. Tested by this standard, every program must have a controlling *relative* importance. And that is where the public belt-tightening must begin – at the first program, or extravagance, the community decides it cannot afford.

There is an ancient adage in political science which teaches that any government big enough to give the folks everything they want is big enough to take away everything they've got.

Local budgets are more than a fiscal problem, more than an economic issue. Balanced budgets today are a *moral* issue of the first order. • • •

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TAX DECALOGUE FOR THE WELFARE STATE

I ONE GOLDEN RULE LEADS ALL THE REST:
THE TAX THAT YIELDS THE MOST IS BEST.

II LET RACKING TAXES BE REPEALED,
SAVE THOSE OF SURE AND STABLE YIELD.

III DIVERSIFY YOUR SOURCES; WHEN
THE GOOSE IS NAKED PLUCK THE HEN.

IV DESIGN YOUR TAX WITH SNARES AND COILS
TO CATCH EVADERS IN YOUR TOILS.

V MAKE TAXES CERTAIN; LEAVE NO SCOPE
FOR ARGUMENT OR FOOLISH HOPE.

VI BE FAIR TO ALL; FROM SAINT OR SOT
COLLECT NO MORE THAN HE HAS GOT.

VII LET PAYMENTS BE CONVENIENT; WHEN
A MAN HAS MONEY, CATCH HIM THEN.

VIII USE HIDDEN TAXES; PEOPLE FRET
WHEN THEY TOO PLAINLY SEE YOUR NET.

IX ALLOW APPEALS FROM THOSE WHO BALK;
BUT TAKE THE TAX BEFORE THE SQUAWK.

X SEND TAX COLLECTORS OUT IN PAIRS;
AND KEEP A TRAINING CAMP FOR SPARES.

H. P. B. JENKINS
Economist at Fayetteville, Arkansas

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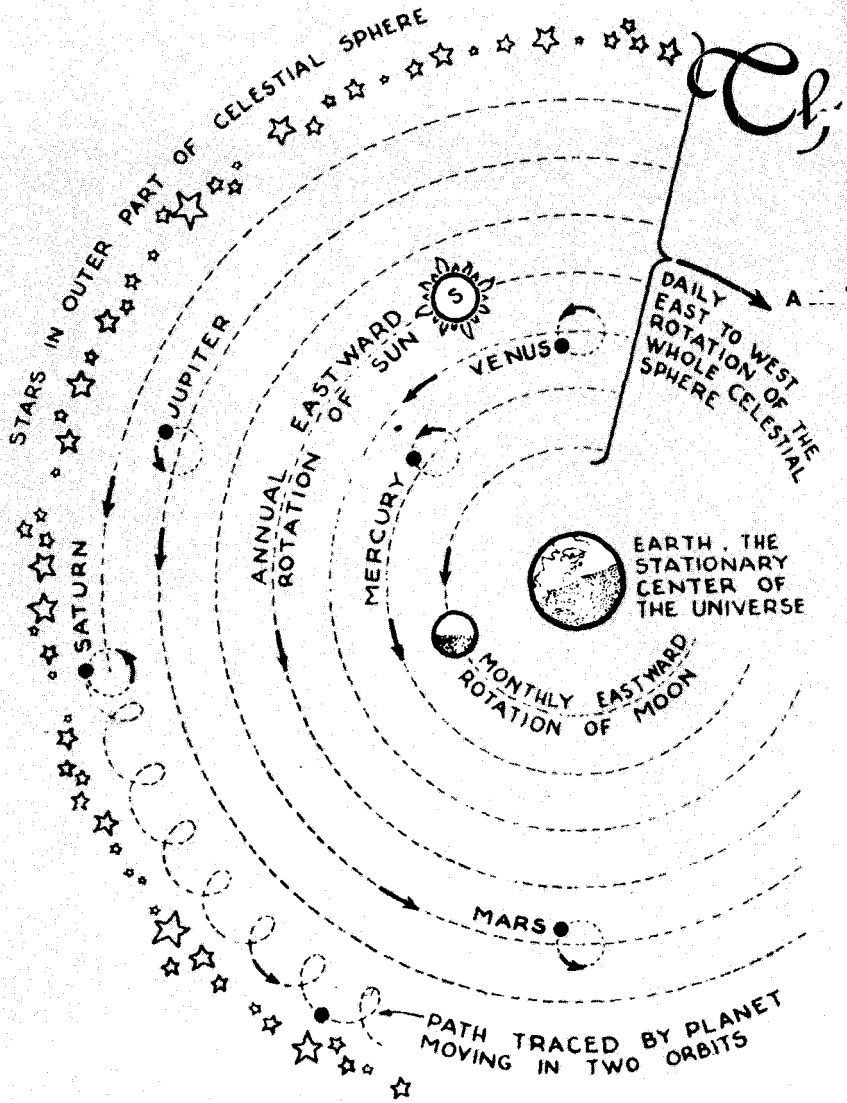
STARS IN OUTER PART OF CELESTIAL SPHERE
JUPITER
SATURN
ANNUAL EASTWARD ROTATION OF SUN
S
VENUS
MERCURY
DAILY EAST TO WEST ROTATION OF THE WHOLE CELESTIAL SPHERE
EARTH, THE STATIONARY CENTER OF THE UNIVERSE
MONTHLY EASTWARD ROTATION OF MOON
MARS
PATH TRACED BY PLANET MOVING IN TWO ORBITS

Fig. 1. Ptolemy's picture of the structure and relative motions of the members of the universe.

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Complex World of CLAUDIUS PTOLEMY

reasoning, developed to help science students understand the political economy.

EDWARD COLESON

IF THERE IS ANYTHING the "modern" prides himself on, it is the complexity of the world of today. You hear it on every hand. Politicians are sure that the statesmen of bygone ages would have been completely baffled had they been confronted with the problems of "our modern, complex age." Many educators seem even at a loss to know what to teach or emphasize in school in "our bewildering age of rapid change, when books are obsolete even before they get the covers on." The man in the street, the average citizen, if there is such a person, may yearn to return to a hypothetical Golden Age of Simplicity which is supposedly gone forever. But, more than likely, the ordinary American has never more than cast a disdainful glance backward to what he regards as our paleolithic past. He is busy trying to peer beyond the horizon into our "Fantastic Future." This earthly paradise, just down the road, will make our present complex world seem as simple by contrast as the "horse and buggy days" appear to us now, at least so we are told.

Actually, we have nothing on the old-timers. They often got their world snarled and tangled enough to please the most fastidious devotee of the complexities of modern culture. For instance, there was old Claudius Ptolemy who flourished, as the poets say, during the first half of the second century A.D. He must have really flourished, too, as he is credited with having had more influence on geography than any other man who ever lived. Nor did his interests stop there. Certainly astronomy did not recover from the effects of his bright ideas for the

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next fifteen hundred years. When Galileo suffered for his Copernican heresy, it was Ptolemy, whose notions had become part of the sacred canon, who was breathing down his neck. Ideas die hard, especially if they are wrong.

Ptolemy, His Life and Times

Now we don't really know much about Ptolemy. He made astronomical observations dated as early as the eleventh year of the Emperor Hadrian and as late as the fourteenth year of Antoninus, who picked up the additional name of Pius because he was a pretty good sort of fellow. In fact, these two Caesars were third and fourth in a series called the "five good emperors" – the only time the Romans managed to have five good ones in a row, which would be quite an accomplishment for any people. At any rate, the early and late dates for Ptolemy translate into 127 A.D. and 151 A.D., respectively, so on the basis of this, plus a few scraps of tradition, he is considered to have appeared on the scene around 90 A.D. and to have passed on to his reward about 168 A.D. That was the best time in the history of the world to be alive, too, according to Edward Gibbon, the great historian of Rome's decline and fall:

> If a man were called to fix the period in the history of the world during which the condition of the human race was most happy and prosperous, he would without hesitation name that which elapsed from the death of Domitian (A.D. 96) to the accession of Commodus (A.D. 180).

This rascal Commodus, who was worse than Nero by a considerable margin which is no mean accomplishment, was the beginning of the end for Rome and the world. By contrast with the previous Golden Age, things got about as bad as it was possible for them to get without such modern conveniences as communists and nuclear weapons.

Historians seem to think that late in the Roman period scholars somehow tended instinctively to garner up the knowledge of the past and sort of stow it away, squirrel-like, to save it through the long Dark Ages that lay ahead. Certainly, writing "digests" summarizing the knowledge of the ancients became the fashion, whatever the motivation. That is pretty much what Ptolemy did. Any tendencies along the same line today we hope are purely coincidental.

Ptolemy's Cosmic Problem

Now in trying to compile the astronomical knowledge of the classical period, Ptolemy needed a framework to organize his cosmos around. There were obviously two possible centers for his sys-

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tem, the earth and the sun; and he was well aware of the alternatives, as, indeed, Greeks had been long before his time. In fact, one of his predecessors at the Library of Alexandria, Eratosthenes by name, had even measured the circumference of the earth some three centuries before and with surprisingly accurate results, too. Perhaps he got about 25,000 miles which is the approximation we use today, or maybe a couple or three thousand more, we aren't sure, but even that would be an accomplishment. You try it! Ptolemy, as part of his self-appointed task of reordering the world, trimmed Eratosthenes' figure down to a mere 18,000 miles, which, some thirteen hundred years later, led a Genoese navigator named Columbus to get the absurd notion that the Eurasian land mass extended pretty well around the globe so that he could easily reach the East by sailing west. But so much for that. This was only one of his minor errors.

When confronted with the problem of choosing a center for his solar system, Ptolemy missed his way altogether. Now primitive peoples have always assumed that the earth was flat with a huge inverted bowl turned over it, with the stars mounted like jewels in this vault of heaven. Now the fixed stars, as we call them, always stay in nice neat patterns – Orion, the Gemini, the Pleiades, and the rest – and go trooping along in perfect formation through the night toward the western horizon, except those around the Pole Star which seem slowly to circle that star. The sun, of course, was a special case: some giant in the east made a long pass during the day and another fellow in the west intercepted it and made an end run during the night all ready to start over the next morning, or at least that is the modern version of the story. But our friend Ptolemy was not a superstitious, slant-browed cave man; he was the end-product of centuries of learning and culture, and had the vast Alexandrian Library at his disposal.

Still the problem was not a simple one even for him. He realized, and correctly, that the near stars should appear to shift with respect to the far ones, parallax as it is called, if the earth went around the sun. But no parallax was evident with the naked eye. Nor could he get over another problem which was closer by. He knew that if he had his earth go around the sun to make his year, it would have to rotate on its axis every day to produce night and day. But if the earth went around in 24 hours, that meant a point on the equator would be moving at a

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velocity of over a thousand miles an hour (about 750 on his smaller globe). If the earth were rotating at this furious speed, Ptolemy reasoned, there should be a terrific gale, much as if you stuck your head out the window of a jet plane. No such wind was apparent, so the earth stood still and everything else went around it. Ptolemy sensed that there was something whacky about the whole arrangement, but it was the best he could do with the evidence at hand.

Now a stationary earth works as well as any other kind – almost. Of course, there were some engineering problems involved, such as how the host of heaven got around the earth every day which would involve speeds infinitely greater than the mere 750 that had bothered him. But at least they were remote, and he had taken care of the problems at hand which is what all good politicians have learned to do since. There was only one really serious difficulty: the problem of the planets.

The Maladjusted Planets

Since men began to observe the stars in the remote past, it was noticed that the host of heaven marched past in the night in perfect order, each star maintaining its place within its pattern (constellation) faithfully from year to year (although the heavens aren't changeless over the ages). How-

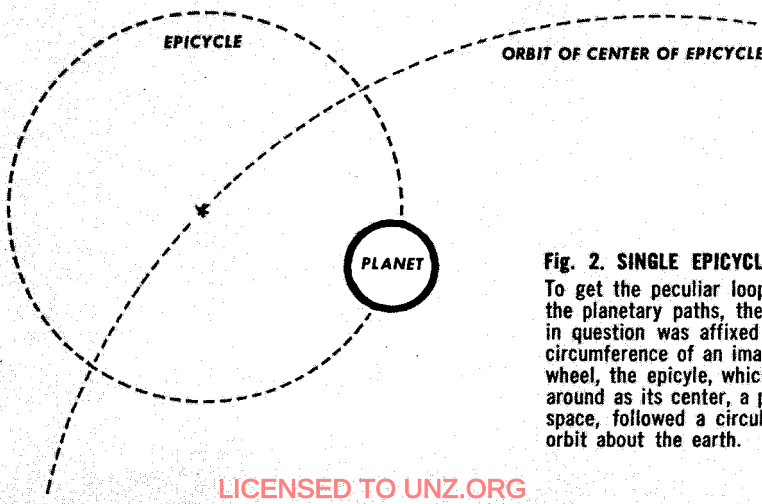

Fig. 2. SINGLE EPICYCLE.
To get the peculiar loops in the planetary paths, the planet in question was affixed to the circumference of an imaginary wheel, the epicyle, which turned around as its center, a point in space, followed a circular orbit about the earth.

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ever, there were a few bright and conspicuous stars that were a law unto themselves; they appeared to wander among their fellows. You would find one as an intruder in a given constellation now, and a few months later it would have moved on into another. Hence, their name planeta, which means wanderer.

Now fitting these maladjusted members of the celestial family into his cosmic scheme was no easy assignment, since they not only slowly strayed where they would, but even executed weird loops in their paths among the stars on occasion. But Ptolemy was equal to the task. The Greeks had decreed that all orbits should be circles, since a circle was the symbol of perfection, so Ptolemy was stuck with that figure.

However, there was no limit to the number of circles he could use; they weren't rationed. He, therefore, put his planet – Mars, for example – on the periphery of a second circle whose center, an imaginary point in space, followed a circular path about the earth as in Figure 2. The scheme, although a little complicated, worked quite well as should be evident from Figure 1. The apparent path of a planet as the consequence of this double motion was looped at intervals which is exactly what happens – or at least appears to happen – periodically in the heavens. So far so good.

Complexity Ad Absurdum

However, there was still one little catch to the whole arrangement. If an astronomer tried to project the system into the future and predict the position of a planet for some night years ahead, he was always in error. But that could be remedied. Why not a double epicycle as in Figure 3? The planet in question was now mounted on the circumference of an imaginary second orbit, whose center followed a circular path whose center in turn went about the earth. Now that ought to do it. It should have, but the more involved system didn't quite work either. But still astronomers didn't give up hope, perhaps other epicycles revolving on the previous ones would secure a better fit.

In the ensuing centuries that elapsed before Copernicus and Kepler straightened out the celestial tangle in the sixteenth and early seventeenth centuries, industrious scholars complicated the theoretical structure beyond belief. Still, the computed paths, the theory, did not fit the facts of observation for very long into the future. The planets soon got out of order no matter how involved the system became. Arabian astronomers carried on while the

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Western World was sunk in the night of the Dark Ages. Finally, each planet was fitted out with 40 to 60 epicycles, each turning on the other, a literal nightmare of celestial clockwork. Still the system did not work *very* well for very long. An old story has it that King Alphonso X of Castile, after listening to a long-winded explanation of the Ptolemaic theory, remarked that he believed he could have given excellent advice had he been present at the creation, as a sort of consulting engineer, no doubt.

Strangely enough, the revolution of Copernicus consisted simply of choosing a new center, the sun instead of the earth. The resulting system as worked out more fully by Kepler was childlike in its simplicity. Put the sun in the center and let the planets just go around it, that's all. The loops are an optical illusion noted when the earth passes the outer planets on the way around, just as a moving train appears to stop and back up when you pass it. The Ptolemaic theory had fallen under the ponderous load of its own complexity. The incredible thing is that men who were intellectually capable of devising such a fabulously involved theoretical structure were not wise enough to see that it was unnecessary.

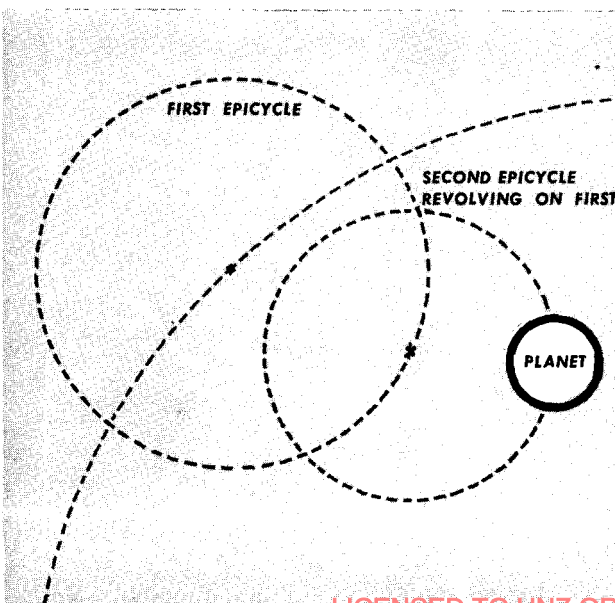

Fig. 3. DOUBLE EPICYCLE. When one epicycle failed to reconcile theory and fact, others were added until the heavens became a nightmare of celestial clockwork, yet the system never worked very well for all its absurd complexity.

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The Moral of the Story

It is regrettable that astronomy is practically the forgotten science. If only our contemporaries were acquainted with Claudius Ptolemy, then when one of our complicated schemes failed to work – another farm program, some monetary hocus-pocus, or other economic witchcraft whereby we may all live like kings without doing much of anything – one might suggest: "What we need is another epicycle. That would straighten out everything." For somehow one cannot view our "complex, modern world" without being overwhelmed as King Alphonso X was with the feeling that the world just isn't naturally like that nor does it need to be.

Let those who believe that the present chaos is the inevitable fruitage of the Industrial Revolution examine the record. Back in the days of the Founding Fathers of this Republic when craftsmen still plied their trades, Europeans did quite well complicating what we have regarded as their simple world and exported more of the same to their colonies, as should be evident from the following:

> In every quarter, and at every moment, the hand of government was felt. Duties on importation, and duties on exportation; bounties to raise up a losing trade, and taxes to pull down a remunerative one; this branch of industry forbidden, and that branch of industry encouraged; one article of commerce must not be grown, because it was grown in the colonies, another article might be grown and bought, but not sold again, while a third article might be bought and sold, but not leave the country. Then, too, we find laws to regulate wages; laws to regulate prices; laws to regulate profits; laws to regulate the interest of money; custom-house arrangements of the most vexatious kind.... and the inconvenience suffered. . . . in order that industry might thrive. . . .
>
> The first inevitable consequence was that, in every part of Europe, there arose numerous and powerful gangs of armed smugglers, who lived by disobeying the laws which their ignorant rulers had imposed.
>
> —HENRY THOMAS BUCKLE

The Obvious and Simple System

Remember Ptolemy's scheme was incredibly complicated, learned – and wrong. Copernicus found a new center, and order just naturally grew out of chaos. One is reminded of the words of Adam Smith: "All systems either of preference or of restraint, therefore, being thus completely taken away, the obvious and simple system of natural liberty establishes itself of its own accord...." The *obvious* and *simple* system of natural liberty . . . liberty establishes itself ... yes, *liberty!* • • •

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WHO IS WATCHING *You*?

The loss of freedom and privacy in the United States and the threat of further loss is indicated by the thousands of government employees who watch, check, record, inspect, investigate, and supervise us.

RALPH L. WOODS

RECENTLY, Cleveland industrialist Cyrus S. Eaton condemned the Federal Bureau of Investigation because it engages "in snooping, in informing, in creeping up on people," and he asserted that not even Hitler at the height of his power "had such spy organizations as we have in this country today."

Such pinpointed denunciation of the F.B.I. suggests either unawareness or indifference to the widespread snooping, investigating, policing, and supervising done by various other agencies of the executive branch of the federal government, many of which have larger staffs and greater powers than the much-abused F.B.I.

A careful look at the ever-expanding activities of our government reveals an impressive – and possibly depressing – number of federal employees who are principally or exclusively engaged in watching and recording what goes on in a vast array of human activities. Whether one welcomes or deplores this trend, the facts should be of interest.

The F.B.I., it should be recognized at the outset, will always be the prime target for various malcontents and publicity seekers. Its operations – or at least the results it achieves – are dramatic. It has captured the public's imagination and is good newspaper "copy." Though attacked and misrepresented by the communists and other traitors it exposes, the F.B.I. cannot answer its accusers without revealing details that would prevent a successful completion of its work. Furthermore, the F.B.I. is frankly and necessarily a government detective agency, with the total of its

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agents or investigators a matter of public record. In short, there is no question as to the nature of the Bureau's work and its numerical investigative strength.

Farmer, Indians, Businessmen . . .

But what about all the other governmental agencies engaged in watching, checking, investigating, and supervising – the ones that seem to be unknown to and unmentioned by the highly articulate "freedom fighters"?

The F.B.I. has 13,760 on its payroll, but the Civil Aeronautics Administration has 23,000 and six of the Department of Agriculture's 24 sections (Forestry, Soil Conservation, Agricultural Marketing, Commodity Stabilization, Federal Crop Insurance, and Farmers Home Administration) have a total manpower of 68,000.

We are *not* here concerned with the value or necessity of these activities, but only with the extent to which the government engages in watching, recording, investigating, and supervising. If the Civil Aeronautics Administration and the Department of Agriculture employees are as attentive to their duties as F.B.I. men are said to be to theirs, then the airlines and the farmers are perhaps more carefully watched and certainly more firmly supervised than are the secretive and considerably less reputable characters and enterprises the F.B.I. customarily investigates. No doubt airlines and farmers on occasion resent interference by government but, being unashamed of their activities, they do not work themselves into an hysterical lather as a diversionary tactic. Consequently, the public is only vaguely aware that they are watched and supervised by government.

The myopia of the headline-hunting critics is illustrated by their failure to mention that the U.S. Bureau of Indian Affairs has 10,862 employees – or about one federal meddler for every 35 Indians whether on or off the reservations. One might well speculate on the extent to which this situation is responsible for much of the social erosion suffered by the Indians.

Business, of course, is much watched and often rigidly regulated and supervised by the government. Few would disagree with the basic principle that government is needed as an umpire or referee to minimize fraud, violence, and other malpractices.

But how many umpires or referees are needed? The Securities and Exchange Commission has the surprisingly small but effective force of 834, the Federal Trade Commission a relative handful at 724, and the Federal Power Com-

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mission a mere 708 watchers and regulators.

There is, however, considerably more manpower involved in the following watching and regulating agencies:

	Employees
National Labor Relations Board	1,124
Federal Deposit Insurance Corporation	1,179
Federal Communications Commission	1,201
Bureau of Employment Security (Dept. of Labor)	1,248
Small Business Administration	1,284
Food and Drug Administration	1,331
Wage and Hour and Public Contract Division (Dept. of Labor)	1,416
Interstate Commerce Commission	2,238
Federal Maritime Board and Maritime Administration	3,457
Bureau of Mines	4,371
Bureau of Customs	8,284

This is not a complete roll call of the government watching and regulating agencies. A number of smaller ones have been omitted, such as Renegotiation Board (335) and Federal Mediation and Conciliation Service (332). Nor does it take into account the many state, county, and municipal agencies that keep an eye and often lay a restraining hand on business.

Several other massive government agencies are engaged in watching and to some extent supervising both business and individuals. The Internal Revenue Service is a painful example. It has 50,683 employees dedicated to the task of securing all the details of business and personal income and taking a big slice of it annually for the government's use — including the pay of those who see that we make our money according to the rules they lay down for us.

Then, there are 22,849 Social Security Administration employees who, in the course of time, accumulate a fairly complete record of one's working life as they watch and record facts about both employers and employees.

The Selective Service System watches citizens and on occasion makes rather drastic demands of them. It has 6,568 full-time and 2,300 part-time employees, plus some 41,000 public spirited citizens who serve on local draft boards.

The Veterans Administration with an astonishing 106,000 full-time paid employees, plus 21,000 part-time workers and 47,000 who work without compensation, in-

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evitably watches, reports, and often supervises those who partake of its benevolence.

The 60 million people who annually visit our National Parks are watched, as well as helped and protected, by some of that Service's 5,000 employees. Sportsmen are both watched and aided by the Fish and Wildlife Service's 4,100 employees. The Census Bureau has 3,065 workers keeping count of us and of some of our activities. The Public Health Service's 24,000 employees must often concern themselves with humans as well as microbes, thus constituting a temptation to anyone who would use them as a Trojan Pony for socialized medicine. The Immigration and Naturalization Service's force of 6,700 watches and supervises those who enter the country, and the State Department's 360 Passport Office employees have a great deal to say about who leaves the country. Those who handle and use the mail do so under the glances of the 1,500 employed in the Postal Inspection Service.

And who, one may validly ask, watches the government? This is primarily the duty and responsibility of each individual citizen, and of their elected representatives in Congress.

But the government itself has another huge agency – the General Services Administration – that has a good deal to say about the other departments in the executive branch of the government. Its 27,000 employees have been referred to as the government's housekeepers.

Finally, the government employees themselves are to some extent watched, protected, and sometimes over-protected by 4,200 employees of the Civil Service Commission.

The Unmistakable Trend

On its face, this situation may not seem unduly disturbing. Federal snoopers amount to a relatively small proportion of the total manpower available in the United States. But the upward trend is unmistakable, as is the fact that the growth is in proportion – if not in geometric ratio – to the amount of taxation and control of various aspects of our personal affairs. Though the snooping itself is deplorable enough, let us remember that it is hardly more than the symbol of the regulations and controls which precede and give rise to such supervision.

When one gives careful thought to the extent of federal watching and to the total government manpower engaged in such work, it is easy enough to see how these agencies could become instruments of tyranny through the manipula-

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tions of political adventurers. This possibility exists in the F.B.I., of course, but it also is present in a great many other agencies of government.

For example, in addition to their watching, recording, and regulating, some of these agencies control the disbursement of hundreds of millions – even billions – of dollars of government funds. Since money is power, in unscrupulous hands these agencies could buy political loyalty and obedience. Freedom has often been bought out before it was stamped out.

Indirect Threats to Freedom

A less obvious and therefore more effective method for achieving the same results is the oblique or indirect approach – gradually tightening the controlling screws through commissions and bureaus which assume powers similar to those of legislatures and courts.

These are hazards of every big government; they are dangerously multiplied when agencies are given excess funds, manpower, or authority. If the people don't patrol their government, the government is apt ultimately to *police* the people.

There is no evidence that the government has a malevolent design for the enslavement of the people, though there may be a handful of bureaucrats who fondle such poisonous ideas. But it is not too fanciful to envision a time when continued economic policing and welfare coddling could so soften Americans that they would invite the handcuffs of the Police State and the spoon-feeding of the Welfare State.

We have allowed and often encouraged the government to erect a bewilderingly complex structure of regulations and controls, plus subsidies, gifts, grants, loans, and benefits. The nation swarms with federal watchers, checkers, recorders, regulators, and controllers who either are or could be enlisted in behalf of the police power – a power that threatens freedom in proportion as it increases in size and authority.

Even the present structure of government could be converted into a police state by a dictator minded group – if the people made no move to prevent it. And we already have given the government a great deal more power than it needs to perform its constitutionally determined functions.

Intelligent and unselfish voting is not enough to check the American drift and drive to some form of superstate. Voting must be preceded and followed by vigilance. The only insurance against the government policing us is for us to police the government. • • •

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Human Rights ARE Property Rights

MURRAY N. ROTHBARD

MUCH IS HEARD these days of the distinction between human rights and property rights, and many who claim to champion the one turn with scorn upon any defender of the other. They fail to see that property rights, far from being in conflict, are in fact the most basic of all human rights.

The human right of every man to his own life implies the right to find and transform resources: to *produce* that which sustains and advances life. That product is a man's property. That is why property rights are foremost among human rights and why any loss of one endangers the others. For example, how can the human right of freedom of the press be preserved if the government owns all the newsprint and has the power to decide who may use it and how much? The human right of a free press depends on the human right of private property in newsprint and in the other essentials for newspaper production.

In short, there is no conflict of rights here because property rights are themselves human rights. What is more, human rights are also property rights! There are several aspects of this important truth. In the first place, each individual, according to our understanding of the natural order of things, is the owner of himself, the ruler of his own person. Preservation of this self-ownership is essential for the proper development and well-being of man. The human rights of the person are, in effect, a recognition of each man's inalienable property right over his own being; and from this property right stems his right to the material goods that he has produced. A man's right to personal freedom, then, is his property right in himself.

But there is another sense in which human rights are really

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property rights, a sense which is much obscured in our time. Take, for example, the human right of freedom of assembly. Suppose that a certain group wants to demonstrate for a particular idea or bill in a street meeting. This is an expression of the right of assembly. On the other hand, suppose that the police break up the meeting on the ground that traffic is being disrupted. Now, it is not sufficient simply to say that the right of assembly has been abridged by the police for political reasons. Possibly, this was the case. But there is a real problem here, for maybe traffic was disrupted. In that case, how is one to decide between the human right of free assembly and the "public policy" or "public good" of clear and unobstructed traffic? In the face of this apparent conflict, many people conclude that rights must be relative rather than absolute and have to be curbed sometimes for the common good.

A Question of Ownership

But the real problem here is that the government owns the streets, which means that they are in a virtual state of no-ownership. This causes not only traffic jams, but also confusion and conflict over who should use the streets at any given time. The taxpayers? In the last analysis, we are all taxpayers. Should the taxpayers who want to demonstrate be allowed to use the street for that purpose at the time they choose, or should it be reserved for use by other groups of taxpayers as motorists or pedestrians? Who is to decide? Only government can decide; and whatever it does, its decision is bound to be a wholly arbitrary one that can only aggravate, and never resolve, the conflict between the opposed forces.

Consider, however, a situation where the streets are owned by private individuals. In this case, we see clearly that the whole question is one of property rights. If Jones owns a street and the Citizens United want to use it for a demonstration, they may offer to hire the street for that purpose. Then it is up to Jones to decide whether he will rent it out and at what price he will agree to the deal. We see that this is not really a question of the human right of the Citizens United to freedom of assembly; what is involved is their property right to use their money to offer to hire the street for the demonstration. But, in a free society, they cannot force Jones to agree; the ultimate decision is Jones', in accordance with his property right to dispose of the street as he sees fit.

Thus, we see how government ownership obscures the real issue

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– how it creates vague and spurious "human rights" that seemingly conflict with each other and with the "public good." In situations where all the factors involved are owned privately, it is clear that there is no problem or conflict of human rights; on the contrary, only property rights are involved, and there is no vagueness or conflict in deciding who owns what or what is permissible in any particular case.

Property Rights Are Clear

In short, there are no human rights that are separable from property rights. The human right of free speech is only the property right to hire an assembly hall from the owners, to speak to those who are willing to listen, to buy materials and then print leaflets or books and sell them to those who are willing to buy. There is no extra right of free speech beyond the property rights that we can enumerate in any given case. In all seeming cases of human rights, then, the proper course is to find and identify the property rights involved. And this procedure will resolve any apparent conflicts of rights; for property rights are always precise and legally recognizable.

Consider the classic case where "freedom of speech" is supposed to be curbed in "the public interest": Justice Holmes' famous dictum that there is no right to cry "fire" in a crowded theater. Holmes and his followers have used this illustration over and over to proclaim the supposed necessity for rights to be relative and tentative rather than absolute and eternal.

But let us further analyze this problem. The fellow who brings on a riot by falsely shouting "fire" in a crowded theater is, necessarily, either the owner of the theater or a paying patron. If he is the owner, then he has committed fraud on his customers. He has taken their money in exchange for a promise to put on a movie; and now, instead, he disrupts the movie by falsely shouting "fire" and breaking up the performance. He has thus welshed on this contractual obligation, in violation of the property rights of his patrons.

Suppose, on the other hand, that the shouter is a patron and not the owner. In that case, he is violating the owner's property right. As a guest, he has access to the property on certain terms, including an obligation not to violate the owner's property or disrupt the performance that the owner is putting on for his guests. His malicious act, therefore, violates the property rights of the theater owner and of all other patrons.

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If we consider the problem in terms of property rights instead of the vague and woolly human right of free speech, we see that there is no conflict and no necessity of limiting or abridging rights in any way. The rights of the individual are still eternal and absolute; but they are property rights. The fellow who maliciously cries "fire" in a crowded theater is a criminal, not because his so-called right of free speech must be pragmatically restricted on behalf of the "public good"; he is a criminal because he has clearly and obviously violated the property right of another person. • • •

THE *Thank You* ECONOMY

"Thank you very much," said the grocer to the lady as she paid him 18¢ for a can of beans.

"And thank *you*," responded the lady. "I want the beans more than these pennies, so I am as obliged to you as you are to me."

"Aren't these voluntary transactions what's meant by the free market?" queried the man with the apron.

"Surely. I like to think of it as the Golden Rule practiced in the market place. Would that all of my income were as willingly exchanged as this."

"That goes for me, too. Hm! I never thought of it this way before; but when the government takes my income to give to others, I don't say thank you, and the ones to whom it is handed never say thank you to me. That's the *thankless* way of life, isn't it?"

"How right you are. The *thankless* way of life is rapidly replacing the *thank you* way. And why? I suspect it's because folks like you and me don't know how to explain the *thank you* way. I see I've got some homework to do. Good afternoon."

LEONARD E. READ

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A rural minister insists that . . .

Money Talks

CARLTON WILLIAMS

THE PHRASE, "money talks," is a commonplace saying, used chiefly in a facetious sense, indicating that if you have the money, you can buy almost anything, or, if there's enough money in it, a man will undertake to do what he otherwise would not think of doing.

Certainly, this is not the meaning in which the words are used here. Instead, I propose the old phrase as a sort of sounding board to emphasize certain thoughts which I hope may echo and re-echo in our minds.

If money actually does talk, what – in heaven's name – is it trying to say to us?

I believe sincerely that if we can hear and understand what our money is actually saying, it is vastly more important than anything that any man, however gifted or however wise, can possibly say to us.

If money does talk, what it says to us is of vast importance because it tells us some blunt truths of economics and of the economic welfare that conditions the whole life of every individual. The natural ambition of everyone is to improve his own condition. We all want better things. We want happiness. We want peace in the world and stability in our own communities – which can come only from more dependable, moral, and spiritual relationships among men. And above all, we want economic justice. *Economic justice* is, indeed, the cornerstone of human progress the world over. That is true because where there is no economic justice there is no freedom, and when people are not free there can be no real progress.

This is not to reduce the vastly complicated interests of human affairs to economics. But the sober fact remains that if there are no physical and material supports for life, there can be no life.

A starving musician is more concerned with food than he is

The Reverend Mr. Williams of Rockton, Illinois, also is interested in farming—and freedom. This article is from his address before the Annual Meeting of the Northeast Illinois Production Credit Association at Woodstock, January 18, 1958.

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with a Beethoven sonata; and a poverty stricken philosopher is probably more concerned with the problem of how he is going to pay the rent, so that he will have a place to live, than he is with categorical panaceas for the salvation of the world.

But give this musician and philosopher the physical things they need, and you liberate their talents for greater production.

It follows, then, that material blessings are among our first and most important needs; and for this reason all human welfare is directly and inseparably connected with money.

But money is nothing more than *an expression* of value – a mutually recognized symbol of property. It is the *property* which constitutes the real wealth. Hence, when the right of private property is denied, the value of money, its symbol, is gone. When money talks, it says, above all things: "Look well to your property, for when you have lost that, you have lost everything."

We profess to believe that the right of private property is inalienable. Yet within the brief span of memory of most of us, the property of untold millions of people in the world, from Russia to Bolivia, has, in one way or another, been taken away from them. If we think our property is as safe in America today as it ever was, just remember that even here the very concept of the right to private property is under attack from several quarters. For the most part, the attack is indirect – the main effort is directed at the imposition of national welfare programs designed to minister to each according to his need.

"Need" Always Exceeds Supply

It would be a most comfortable situation if the needs of everyone could be met automatically by some super power. "To each according to his need!" That is a teaching which is being accepted by millions. But the other part of the equation goes with it: "From each according to his ability." The fallacy in that socialistic philosophy is that the second part cannot possibly equal the first part. The "from each according to his ability" cannot satisfy the "to each according to his need." For the need is always greater than the supply. The only way it can be done is for all of us to supply our own needs with our own labor, frugality, and ingenuity, and then lend a helping hand where it is most needed.

Now, it is not my purpose to question claims or to judge the relative merit of human needs, for our economic fortunes or misfortunes have a profound influ-

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ence on all other relationships. There can be no doubt that economic prosperity breeds personal satisfaction as well as a high degree of spiritual well-being, while poverty is a festering cesspool of disease, maladjustments, discontent, social unrest, and crime.

But for the most part, the way out of poverty lies in the fruit of our own efforts, for we live in a universe of natural law.

Nothing in this universe can or will succeed which is not in harmony with the universe. Eventual success in any enterprise, be it personal or governmental, depends upon and is conditioned by its essential harmony with the irrefutable facts of the universe. This is as true in the realm of economics as in the field of science. Our fortunes or misfortunes, of whatever nature, reach deep into the basic laws which govern the entire universe.

Basic Laws of the Universe

To illustrate, let me relate two very dissimilar incidents in my own experience.

1. As a child some five years of age, I discovered it was fun, or so I thought at the time, to wet matches with my tongue or soak them in my mouth, then rub them on my fingers so that they glowed with a fascinating and beautiful phosphorescent fire. This I did, not knowing what might happen. But it happened! From the time I was six until I was 14, I was a complete invalid, not knowing whether I would live or die; the poison went through practically every bone in my body – finally settling in the tibia of my right leg. My body is scarred from abscesses and operations caused by infected bone.

An ugly disease – chronic osteomyelitis. And there's no known cure except to cut out the diseased bone with literal hammer and chisel, hoping to stop the infection before the whole bone becomes necrotic. Now, no matter how ignorant the child, his disobedience of natural law caused the man to be a virtual cripple all the days of his life.

2. The second illustration is more pleasant. About twenty years ago, when recovering from the periodic bone surgery which has been the rule rather than the exception during my life, on crutches most of the time, incapacitated and unable to follow my profession, I locked myself in my study and wrote a couple of novels. Then my wife inherited a little money from her father's estate, and we set out to buy a farm. We didn't have enough money, and no one with a good farm for sale thought a crippled preacher was too good a risk; the farm mortgage people

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felt the same way. But finally we bought 380 acres of about the poorest land in Winnebago County. The owner was willing to carry the mortgage for a time – glad enough to get rid of the land.

There you have it, a thin farm on a very thin shoestring and a heavy mortgage. Perhaps I didn't know enough about it to be scared. We even got the local Production Credit Association to loan us money to buy feeder cattle. They finally got their money back – but take my advice: Don't ever loan anybody money to buy cattle if he knows nothing about how to feed them!

Part of our 380-acre tract was too sandy to plow, and more than one-third of it too wet. We have now planted nearly 150,000 pine trees on the sandy land for Christmas tree production, and dug ditches and built dykes in the slough land. We even bought 120 acres more of the stuff at the fabulous price of $17.50 an acre. Then we threw a couple of carloads of muriate of potash on the peaty loam and changed the value of the land from $17.50 per acre to – you name it! – let us say conservatively, $300.00.

In the first instance, calamity followed disobedience. In the second, all the success my family and I have achieved has come as reward for obedience to economic and physical laws. This was a personal and a family struggle, the success of which was guaranteed by no one. In the light of this experience I am convinced that such struggle is a blessing, not a curse.

Strength Through Struggle

No people ever became greater than the difficulties they had to overcome. Strength comes from exercise, work, struggle. It is in effort that physical and mental health is born.

These are days of terrific tension. The lines of our problems seem to be drawn almost to the breaking point. Perhaps we need to remember that there is no music in a violin with loose strings. The strings of a fiddle have to be stretched almost to the breaking point to bring it in tune, and only then can a musician play upon it. I have faith to believe that something great, perhaps divine, will eventually come out of the staggering tension which now grips the world. For great problems produce great men as well as great events.

Still, there are plenty of people who plead for subsidies, hoping to benefit from federal aid without suffering the hardship of federal control. But that is a false hope. Controls are inseparable from grants. The mess agriculture is in

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today, the staggering government supports, and the creeping paralysis of government control of agricultural markets as well as the attempted control of production, puts every farmer deeper and deeper in subjection, and more and more dependent on the caprice of bureaucratic dictation. How can we be naive enough to think that the government can give us anything which it does not first take away from us?

Think of it as we will, argue about it as we wish, habitual federal aid is indicative of a vast transformation from a free economy to a planned economy. And may we never forget, when we no longer have a free economy, we are no longer a free people. And that is the dynamic and didactic thing our money is trying to say to us today.

I have a neighbor who has done exceedingly well in the farming business, yet he consistently takes from the Agricultural Stabilization and Conservation Committee (ASC) every dollar he can get, not because he needs it, but because he argues that if you can get it, you're a fool if you don't take it. He said to me: "Why not? I figure those fellows in Washington are a lot smarter than I am, and if this is the way they want it, who am I to object?"

Now a man like that can't convince me that he is in favor of government economy so long as he eagerly grabs government payments, money which has come out of the pockets of other people who owe him nothing.

Character Will Stand

In the last analysis, our salvation will not come out of Washington. It will come, if it comes at all, in that secret relationship which each man works out between himself and his God. Personal responsibility, integrity, and faith are the building blocks which erect that stalwart edifice of character which is the only building worthy to stand through tomorrow. The only loyalty that has the power to save modern civilization is loyalty to truth. If we consistently practice a lie, we will inevitably be destroyed by that falsehood; for only the truth will survive. That is the judgment of human history, as it is the decree of God's universe, and it will be the verdict which shapes the future.

Money talks! It is saying to us with all its power: "Economic wrong-doing and economic falsehood lead eventually to economic poverty and human slavery. Economic rightness which is in harmony with eternal truth alone will lead us to economic prosperity and human freedom." • • •

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UNION COERCION a

IT IS a sad truth that the public is the victim hit hardest when a handful of people, using the weapon of collective force bestowed upon our trade union movement, succeeds in crippling an industry through boycotts, strikes, and similar pressures. In New York last December, this truism was proved once again in a strike which for three weeks stopped the presses of nine major daily newspapers with a combined circulation of over six million.

Let's review, for a moment, the effect of this costliest newspaper strike in American history, for which nearly every one of the twelve million citizens of the New York metropolitan area paid a price.

Coming in the midst of the Christmas shopping season, the shutdown slashed an estimated 7 per cent from anticipated Yuletide business of major stores which depended on newspaper advertising to draw customers. This loss amounts to about ten million dollars. Ten thousand of New York's sixteen thousand newsstands were forced to close, throwing many dealers temporarily out of work. The nine struck newspapers themselves lost an estimated twenty-five million dollars in advertising and circulation revenue. Employee pay losses totaled more than five million dollars. Hundreds of businesses, dependent upon newspaper advertising – resort hotels, theaters, restaurants, auto dealerships, real estate agencies, employment bureaus – felt a serious crimp in their income.

In the school system, 270,000 of the city's 300,000 students in 213 secondary schools accustomed to using newspapers in their instruction, were affected.

Contrast these facts with the dubious gains and the number of people who receive them. Directly involved were 4,500 members of the striking news handler's union, representing only a fraction of the New York newspaper industry's total employee force. Of the news handler's union membership, only 19 per cent had voted to strike (887 for and 772 against), and this voting majority – a meager

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YOUR NEWSPAPER

JOSEPH E. BROWN

105 of the city's eight million citizens – brought about a tie-up which ultimately cost an estimated fifty million dollars.

They won their case, of course – a $7.00 per week "package." But discounting the strike benefits received, those who walked off their jobs and those forced to go with them must work more than ten months at the new pay rate before the "gains" will be realized, because they earned no pay during the strike.

But more tragic than these economic losses is the fact that a handful of union members, with a weapon sanctioned by law, struck a costly blow to freedom and forced concessions to their coercive force.

Because of its magnitude, the New York strike received wide notice across the country and its cold, hard facts were driven home. Not all, however, realize the inroads made by trade unionism in the past few years in the newspaper industry, a trend which today threatens to squeeze our press into such a pattern of standardization that its effectiveness may soon be seriously impaired.

We are quite aware of our constitutionally guaranteed freedom of the press and that this freedom is under attack on many fronts today. One much discussed front is the blanket of secrecy which shrouds an increasing number of activities in Washington, state capitals, and city halls, obscuring the people's right to know under an innocuous guise of "security." Another is pressure from state legislatures and city governments in the form of heavy business license fees on newspapers, taxes on advertising, and, in some remote cases, even direct censorship.

These are the obvious dangers to our press, but they are dangers with which we can cope adequately in the courts because in most instances they violate one statute or another, and we recognize them as such.

Unseen Damage to Freedom

The danger of union coercion as it is practiced in the American newspaper industry, however, is one which too few Americans realize. Such attacks against freedom as that in New York are, in fact, considered perfectly legal and moral, and are blessed by the courts.

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Worse, the most insidious phase of union pressure against our press, the undermining of a newspaper's freedom by chipping away the integrity and character of those who operate it, is seldom seen by the public. It is seldom, in fact, seen or exposed by the very newspapers which are themselves the victims.

Nevertheless, the danger is there: growing, gnawing, chiseling at the roots of freedom to which our newspapers owe their existence.

Direct damage to this freedom exists in the form of strikes, boycotts, forced shutdowns and, the end result, suspension of publication, as in the case of the 114-year-old *Brooklyn Eagle* in 1955. Pinched between spiraling costs of operation and the union's demands, its management, at one point in negotiations, stated flatly that the demands could not be met if the newspaper were to survive. The union held firm. The result: the newspaper folded, and a million readers were forced to turn elsewhere for their news.

If the fact that a newspaper's reading public is denied access to its news by such coercion is not a threat to freedom, then what is?

Last year, 28 daily newspapers in the United States were forced to suspend publication for various lengths of time up to 66 days, and many others published under adverse conditions brought about by labor tension. Among newspapers which enjoyed immunity from such economic attacks during the year, many suffered narrowing margins of profit by constantly increasing demands for higher wages, increased fringe benefits, and the like. When a newspaper's budget is pinched, invariably the reader is the one who must suffer by receiving a poorer product, or by paying a higher price.

The Role of Newspapers

Despite the impact of television and other media as a means of communication, the American public still depends very largely upon its newspapers to inform, entertain, and serve as a guide in making decisions. Last year, for example, daily newspapers in the United States had a combined total daily average circulation of more than 57,000,000 – more than any other communications medium.

A key reason for this trust, in my opinion, is that newspapers traditionally have remained unhampered by restrictions from the federal government such as are imposed, say, on the television-radio industry by the Federal Communications Commission.

But just as the direct control by the federal government limits the

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scope of freedom in television and radio, economic assaults on newspapers by labor unionism, which ultimately result in suspension of publication, are parallel examples of unjustified pressure against the press.

How Unions Use Coercion

A newspaper is a private business enterprise and as such must compete in the spirit of free enterprise. It can exist only as long as it is economically possible to do so. It is at this point that trade union interference, where that interference is exercised by means of coercion, rears its collectivist head.

Is not a union's demand that prospective members of a newspaper's editorial staff be "screened" by a union committee before being hired an indirect effrontery to the publisher's right to hire as he sees fit? Is not a demand that news copy be examined and approved – censored, if you will – by a union official a like attack against the publisher's rights? And isn't physical intimidation of strike-breaking newspapermen, those who choose to work when others do not, another form of coercive pressure?

These are not generalities, by the way. They all occurred during a recent period in which I was associated with the *Lima* (Ohio) *News*, one of eleven publications in Freedom Newspapers, Inc., of Santa Ana, California, of which Mr. R. C. Hoiles is founder and co-publisher. Those familiar with Mr. Hoiles' lifelong fight against collectivism can well imagine what happened in Lima when unionism turned its collective fury against him. The fact that the *Lima News* survived one of the most bitter union attacks ever directed against an American newspaper is past history and, while a credit to those who put principle before personal gain and "got the paper out," has little bearing here.

The point is that the Lima situation – like the more recent New York strike – brought into focus a relatively recent weapon which has shaped up against the newspaper industry and other industries, namely, collective, economic warfare.

To Capture the Press

An increasing number of American newspapers each year are drawn within the sphere of union domination, either directly (through contracts in their own shops) or indirectly (through the necessarily close alliance of their news columns with the community they represent).

Last year, when the American Newspaper Guild observed its twenty-fifth birthday, it an-

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nounced a membership of more than thirty thousand in noncraft departments of newspapers, magazines, and other periodicals. The percentage of workers under union control in craft departments of these American publications is difficult to estimate; it's safe to say it is increasing annually.

Whether or not a newspaper's employees are represented by a trade union does not matter. Because of a trend in the past decade toward unification among unions, exemplified by the merger of the AFL and CIO, no newspaper can isolate itself from union influence, and it would be foolish for any publisher to think he could do so.

A publisher may officiate over a nonunion plant, for example, but chances are great that delivery of newsprint is handled by Teamster Union truckers. A newspaper tagged unfair by one union may find its paper supply brought to a sudden halt. If this occurs, the publisher must find other means of hauling newsprint, often at accelerated cost. Such pressures so magnify the expense of operation that a newspaper might find itself with a budget so overloaded that it cannot survive.

A publisher has no right to stay in business if he's a poor business man, nor is there any moral restriction against those who provide a newspaper's financing – the subscribers and advertisers – from withdrawing their support if they choose. No one is forced to pay for a newspaper, or to read one, or to subscribe to its philosophy. In a free society, acceptance or rejection by the consumer of a product guides the maker of that product in its production. In this regard, a newspaper is no different from a factory producing shoes, toy balloons, or automobiles.

The "Right" To Sabotage

But when a labor union, with government sanction, can employ illegal or immoral means to prevent the distribution of a product – in this case a newspaper – it makes no difference whether a publisher is a good or bad businessman; his rights have been trod upon.

Take the case of one California weekly newspaper during the last national election campaign. Exercising his right guaranteed by the Constitution, the publisher wrote a series of editorials favoring a "right to work" voluntary unionism measure appearing on the upcoming California ballot. The measure was, obviously, bitterly fought by the California labor union movement, and the editorials became increasingly distasteful to the newspaper's union printers whose job it was to set

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them in type. So they slowed down in work, went home "sick," or didn't show up for work at all. Finally the publisher, sensing the reason, toned down his editorials and then dropped them altogether.

Work picked up immediately and the publisher filed a complaint with the National Labor Relations Board. Angered over this act, the printers called a strike and the paper was forced to shut down.

Unions Enjoy Special Privileges

If labor unionism enjoyed no legalized exemption from the laws which regulate business, or if it operated with other than collective force, then it could be properly categorized by a newspaper among its other competitors.

But such is not the case. Because both government, through laws, and courts, through decisions, have placed trade unions on a special pedestal, the competition they present is wholly unjustified. As Indianapolis newspaperman Walter Leckrone pointed out recently, the American trade union movement enjoys numerous liberties and exemptions which are denied to business. Early labor law was predicated on the theory that management carried a big financial stick and thus should be held in check, while the then scattered unions were in a poor position to properly represent their members without "protection" by law. Despite the fact that this theory has long since been disproved, its application nevertheless still remains.

It is through this off-balance theory that labor bosses today can literally sit in an editor's chair and, as it has been shown, dictate what shall and shall not be included in a newspaper's columns. Is this any less an evil, or more justified, than direct censorship by a dictatorial government?

Consider for a moment what would happen if newspapers – all newspapers – became controlled by a single church. It's safe to assume that readers would be allowed to read nothing contrary to the doctrine of this church. There would be no broad cross-section of religious ideas and opinions, as we find in the pages of our American newspapers today.

Or what would happen if the press became controlled by the Republican Party, or the Democratic Party, or the Socialist Party? We would find only Republican or Democratic or Socialist opinions, and nothing else.

Using this parallel, it becomes easy to visualize what would happen if our entire newspaper industry knuckled under the thumb of trade unionism. We would read only the type of material that to-

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day is printed in labor union-operated organs.

There would be no diversity of opinions that we have today in the American press. And the key to the strength of our press is individualism.

The indirect approach by labor unionism in the destruction of freedom in the newspaper industry is a subtle one.

Initiative Is Stifled

In my years of newspapering, it has become increasingly apparent that more than any other single factor, personal initiative on an editorial staff is the spark that keeps one newspaper's star burning more brightly than its competitors. It is initiative that makes a reporter sniff behind every news handout. It is initiative that makes him refuse to accept anything at face value alone. It's initiative that kindles competition and, in turn, provides a better product.

But whether initiative can rise above complacency in an atmosphere of unionism is open to speculation. Will a reporter, for example, remain as dedicated if given the alleged "security" of a collective bargaining agreement? Since unionism tends to destroy individualism, will he expend extra energy, knowing advancement depends not upon what he can produce but what the union, by its force, can "get" for him?

In industry, mechanical advances in an era of technology have to a large degree offset the narrowing margin of company profits brought about by union demands in many fields. But in the newspaper field, it still takes virtually as long to write a story, process a photograph, or prepare an ad, as it did ten or twenty years ago. The obvious alternative is to reduce staffs, devote less space to news which is time consuming to produce and adopt wider use of handouts and fewer features. Since a large percentage of handouts are produced by government information specialists in Washington, state capitals, and city halls, it is apparent the public will be getting more and more doctored information rather than news objectively prepared.

Students Shun Newspaper Careers

A survey taken shortly before graduation time last June showed that the number of students in college schools of journalism destined for newspaper careers had dropped sharply from the year before. The total of journalism students was just as high, but graduates appeared to be eyeing careers in advertising, public relations, and related fields, while shunning city rooms in greater numbers.

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Educators were quick to theorize that the newspaper field is growing less attractive because salaries and other benefits have not kept pace with other American industries. Though this argument can be debated, it nevertheless represents widespread thinking.

My guess is that there are other reasons for the reluctance of our journalism-bent younger generation to enter the newspaper profession. It is a simple rule of human nature that as individuals we cannot be herded into categories like inanimate milling machines or turret lathes. In a field as demanding on creative talent as the newspaper field, those participating cannot be regimented into the columns of statistics that the theory of unionism demands.

Likewise, freedom cannot survive where the individual is regimented and initiative is restrained by a collection of rules and regulations.

If we insist on driving young creative talent from the newspaper field to other areas by allowing the philosophy of trade unionism to downgrade this profession, we may awake one day soon to find our morning paper vastly different. Its news columns will no longer be free, in the sense that we know freedom. They will contain stories carefully slanted by union bosses to promote the ideas of collectivism and the advantages of a socialistic Welfare State.

A victory by the collectivists in the attack against our press, like the skirmish victories in New York and Lima, would be a sad day indeed. ◦ ◦ ◦

IDEAS ON LIBERTY

Authority Without Responsibility

THE PRESENT unrestricted strike procedure represents a primitive aspect of civilization. It authorizes violence as a means of settling disputes. It implies that the relationship between capital and labor is such that disputes cannot be brought under the established methods of adjudication. It is based on the propaganda that the employer can be brought to heel only by threats of violence . . . Collective bargaining so enforced, transfers to irresponsible hands most important policies of industry and, consequently, the welfare of the nation. . . .

The labor leaders under congressional attack are not peculiar men. They are the inevitable and unavoidable result of peculiar laws which grant excessive authority without adequate responsibility.

H. E. SPITSBERGEN, *Public Welfare and Labor Laws*

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the DOLLAR will be on the DEFENSIVE

LAWRENCE FERTIG

WHEN TEN leading nations of Europe extended the area of freedom by unfreezing currencies earned by foreigners, and making them more freely convertible, the significance of this event was highlighted by a telltale statement of Hugh Gaitskell, leader of the socialist Labor Party of Britain.

Mr. Gaitskell said he was against this move on Britain's part because it would restrict her independence of action, and would exert pressure for deflationary action within Britain. By this statement he revealed how nationalistic socialism really is – how opposed to the basic interests of a free world community which must depend upon the free flow of money and goods among all countries.

He was right, of course, in saying that Britain would henceforth have less freedom of action to do as she pleased. She would not, for instance, be able to honor the new agreement and at the same time increase welfare state measures, increase subsidies for nationalized industries, create more inflation and higher prices for British goods. If she pursued such policies, the result would be a sinking of the pound in international markets and a substantial loss of gold which she could not afford.

But every other country in the ten-nation group will be subject to the same discipline. They have all thrown away a crutch – the control of their currency earned by nonresidents – in order to achieve much greater benefits. Trade will be stimulated, exports will increase, and the plain citizens and business people of every

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country will get a better break because they will be able to use whatever currency they earn in trade to buy the best value in *any* country they choose.

It is curious that this move was made possible by the fact that the dollar is no longer the Rock of Gibraltar. It has become considerably weaker. It is no longer feared that, given half a chance, everyone will rush to convert into dollars every pound or franc or lira he can lay his hands on. A London commentator pointedly said that "the pound now looks down on the dollar." This is not completely accurate because the dollar is freely convertible for all purposes while the pound is not. But, in a way, the pound and the lira and the franc do "look down on" the dollar because they are no longer afraid of what the dollar can do to them.

Soft Dollars

The dollar has weakened for two obvious reasons. In the first place we are pricing ourselves out of export markets because our costs are rising too rapidly and so are our prices. The U.S. is losing export trade which is being gained by Germany, Japan, Britain, and others. Thus the demand for dollars is not as great as it used to be. Secondly, the dollar has weakened because the world is more fearful of continuing inflation in the United States. Many people who formerly held dollars for greater security sell their dollars to get gold.

This country has lost over $2 billion in gold during the last year, and we are still losing it. A continued loss of gold will be a serious matter. This much is certain: We can no longer pursue uneconomic policies with impunity. We cannot price ourselves out of markets, engage in continued inflation, or give away dollars in profligate fashion. If we do, the dollar will weaken, there will be a greater outflow of gold, and dollar devaluation will be the only answer.

Restraints on Convertibility

It should be noted that there still remain some great restrictions on the transfer of currencies in practically all of these European countries. Money invested in stocks, bonds, real estate – in fact any form of invested capital – still cannot be freely converted into other currencies when the capital investments are sold. Like a person who has been fed drugs for many years, these countries are afraid to throw away *all* their drugs and move at once toward complete freedom of their currencies.

Nevertheless, the limited move

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they have made toward freedom is highly encouraging and significant. To make this move required both economic strength and courage. Henceforth, these countries can no longer depend upon the European Payments Union for credit when their trade balances become adverse. They must settle their trade payments in gold, since the EPU was abandoned upon the signing of the new agreement. These countries can no longer depend upon tight exchange controls to cover up their inflationary policies. If they inflate, they will lose trade and gold. The pressure will be on them to put their economic house in order and keep it so.

In substance the move to unfreeze European currencies will mean freer world trade, will curb their inflationary tendencies, and will give economic strength to the West in the fight against the Soviets. But we must realize that it will put the dollar on the defensive and reveal any inflationary weakness here very quickly. • • •

Private Investment is Best

Government capital investment belies its professed purpose.

REESE ROEDER

CAPITAL INVESTMENT was, until recently, considered to be the concern of private interests; it has now become very much the concern of government. Government has taken over, so the theory goes, of necessity. It is rightly claimed that capital investments are needed for material progress and result in public benefit. So if private capital cannot or will not make an investment, there is no course open but for government to step in and take over. On this theory the government has spent and pledged—not millions and millions—but billions and billions of the taxpayers' money. But, to what end?

This government intervention is

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based on the triple supposition:

– that private capital investment either ignores or works against the public good;

– that all government capital investment is solely for the public good; and

– that the government can provide unlimited capital investment funds.

All three suppositions are false.

The capital structure of a nation consists of the plant and durable goods with which industry and agriculture operate, plus the transportation, banking, and communication systems. The capital structure of a nation determines the material welfare of the people and sustains their living standard.

The spread between the low living standard of many Asiatic countries and our own is attributable almost entirely to the difference in the production plant. In the backward countries, what cannot be accomplished by a pair of hands and a strong back is largely left undone. In our country, we have provided the worker with abundant tools and mechanical horsepower that multiplies manpower many times. The resultant high productivity supplies products in abundance at low unit cost. Instead of a one-sided gain for the so-called capitalistic class, the building and maintaining of a sufficient and efficient production plant benefits all the people and is the only road to a high general living standard.

A constant flow of investment funds is necessary to meet the needs of a growing population, to increase the efficiency of production tools, and to maintain the production plant in working order. Though we sometimes speak of capital goods as permanent possessions, this is not true. They are durable, but not everlasting. Often an investment simply replaces tools and equipment that have become obsolete; a new structure replaces one that has been destroyed by the elements or has outlived its usefulness. Much of the apparent capital investment is actually replacement and maintenance which does not add to the total capital plant.

Capital Depends on Prior Production

Every capital investment must come out of prior production. To increase the size of the production plant, there first must be a surplus production above immediate consumption and above the replacement and maintenance of the present capital plant. That surplus production capacity is comparatively small – very small. Additions to the capital plant can come only slowly and gradually. There will always be more to be done than can be done – a prob-

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lem of deciding that certain capital investments are to be made and that others are not to be made. Even the richest nation must exercise wisdom in its choice of capital projects and apply efficiency in the execution – or else pay the penalty in lack of progress. There never is enough surplus production capacity to put into operation all desirable capital projects.

Our capital plant is a part of our wealth and has been accumulating since our colonial days – some three hundred years. The estimates of the total wealth in our nation tell how very gradual is the real increase of our capital plant. Our national wealth is estimated at between six hundred and seven hundred billion dollars. This takes in all public and private material possessions and includes all lands, buildings, railroads, communication facilities, factories, machinery, tools, livestock, homes, furniture, inventories of goods, all property, everything. This accumulated wealth of three hundred years amounts to less than two years of output at current rates of production. There is no room for waste. The record bespeaks emphatically the constant need to direct the ever-limited capital investment fund to the greatest possible utility.

The surplus production available for capital projects is the result of privately conducted production. The government is not a producer and consequently cannot add one iota to this fund. The only way government can obtain property is to take it away from private sources. This taking from private funds may enlarge the government investment fund, but at the same time it diminishes the amount private interests can invest. From the standpoint of public interest this leaves but one question: "Is the public best served through capital invested by private sources or by government?"

Private Profit and Public Interest

Let's consider the assumption that private capital investment ignores or works against public interest. It is quite true that the actuating motive of private capital investment is profit. However, the public benefits because of, and not despite, that motive. The profit motive itself surrounds private capital investment with checks that work to the advantage of the public.

There is no question that the most needed capital projects are those producing maximum public good. They are the ones that private capital investment will seek because they promise the best return and the greatest security.

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The personal whims of private investors do not really determine their capital investments. They make those that the public wants them to make. Not only must their investments produce a product or a service that the public wants, but they must produce at a price the public will pay. It boils down to this: The public is boss. Private investors serve themselves best by serving the public best. So, regardless of motive, private capital investment does work for the public good.

Political Allocation of Resources

The assumption that government capital investments, subsidies, and guarantees work solely for public good is pure fancy. Government is not an economic but a political institution: political motives underlie all government action. Successful politics is not always good economics. Political expedience is far too often opposed to public good.

Government is in the hands of politicians. Politicians are mere men, always with an eye to their own interests. So it is that most government capital investments are made, not where they are most needed, but where they will best serve political purposes.

The "pork barrel" is tapped at every session of Congress, congressmen dipping into the multi-million-dollar kitty for more or less useless projects to put on a show for the folks back home and help Mr. Congressman retain his seat.

We often find government departments working at cross purposes. For instance, while one department is taking fertile land out of production at government expense, another department is putting arid land into use through costly government support. Through government investment, millions and billions have been diverted from economic good to political use – and such diversion is a waste that no nation can afford.

The Unseen Waste

The third supposition that the government has unlimited funds also is entirely without foundation. We have already observed that the government has no resources; whatever resources the government obtains are taken away from the people. But do we realize what this means to our national welfare? A useless "pork barrel" investment by government means that a useful and needed production operation must be denied, a waste multiplied thousands of times and measured in billions of dollars. This is a serious waste at all times and is particularly devastating now when our rapidly growing population

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demands a greatly expanded and highly efficient capital plant.

That capital investment confined to private sources is an effective builder of the nation's capital plant is not only sound theory but also solid fact. During the first century and more of our national existence, capital investment came almost entirely through private investors. Under this policy, and starting from scratch, the people of this nation achieved the industrial leadership of the world and provided a general living standard unequaled in all history.

How far have we now moved toward government investments, subsidies, and guarantees? No one knows the exact extent of these financial obligations. We do know that the government has pledged its credit for an astronomical amount. The financial obligations assumed by the government have been estimated at a thousand billion dollars.* This includes the national debt, the direct liabilities such as social security, and the myriad government guarantees. If a private organization had liabilities exceeding assets, it would probably be called bankrupt. The government has assumed financial obligations, direct and contingent, that exceed the entire national wealth by at least 50 per cent.

A Day of Reckoning

For a while, and only a while, government can skate along on this thin ice by the device of money and credit manipulation – monetizing the debt and increasing taxes that already are confiscatory. But the government, like a person or a private organization, must eventually come to a day of reckoning. And what then?

Government obligations are either worthless, or they are a mortgage on private property. What, then, has happened to private ownership in the United States if government has mortgaged all private property up to the hilt and beyond?

The old-time medicine man peddled his nostrums with high promise but sad result. It was a swindle. And they are swindlers today who would have us believe that "government must make capital investments because the greedy private interests will not." If public good is the objective, the government can best serve that purpose by restoring and leaving capital investment where it belongs – in private hands. • • •

*See "What Is the National Debt?" by Medford Evans, THE FREEMAN, October 1957. p. 37.

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THE ROBINS

ANN TERRILL

HYMNS of truth may die unsung
For want of men to sing.
But robins yearly take the job
Of building brand new Spring.
They live their simply patterned way
And somehow carry on,
While nations fall for lack of faith
To build a pattern on.

For robins never waver
In their task (a stubborn trait);
Nor set up limits on their time
(They can't be thinking straight)!

What makes that type so unconcerned?
They might produce much more
Of sprightly sunny melody
Than Spring had bargained for.
What then? There is no guarantee
Of payment in advance!
They're just too energetic, so
Best look on them askance.

They might encounter lots of things
Like hurricanes or snow,
Or scrawny worms or bigger birds
Or cats, or brats, you know!

They haven't asked a subsidy
From God to cover these,
And don't you think they're foolish
To depend so much on trees?

But they go right on working,
Bearing young and singing, too!
Why haven't they the sense to change?
Improve! The way *we* do.

Ann Terrill is a California housewife.

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Some questions for consideration by . . .

MODERN IDOL WORSHIPERS

VOLLIE TRIPP

IDOL WORSHIP is frowned upon as a general practice in this sophisticated age. You would have to conduct a lengthy survey to find even one of our "progressive" citizens worshiping a graven image. However, the worship of certain ideas and concepts, without benefit of iconic figures, is widespread and provokes no censure.

Such an idol is the idea of "progress" or whatever at the moment passes for progress. To be labeled "unprogressive" in one's political, social, or economic views is even more fatal to popularity than advanced halitosis, B.O., or a propensity to cannibalism. To be "agin" progress, or even neutral in the matter, marks one as a dangerous reactionary, out of sympathy with the aspirations of the common man.

Now, our dictionary defines *progress* as "improvement, steady advancement toward perfection, moving toward a higher state." Nothing wrong with that. So the trouble must be one of definition, what the word means for different people. Just what *is* progress, anyway?

Among the so-called common people, and many well above the common level of intelligence, there exists a pathetic belief that progress is synonymous with the march of time; that by some strange arcane law, life is bound to improve as the years pass.

If we take the long, long view, encompassing tens of thousands of years, some such law or principle may operate in human affairs. I like to think that there is such a law, even though it is difficult to prove. But the widespread belief that progress is automatic, synchronized with the mere pas-

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Mr. Tripp, retired from the building business, now devotes full time to travel, writing, and promotion of free enterprise.

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sage of time, is mischievous and dangerous. It gives rise to unreasoning worship of the new, the novel, the contemporary, and rules out all sound objective appraisal of the merits and real value of modern trends, fads, and fashions.

"Progress," the sacred cow of the masses, the graven image of those unable or unwilling to think soundly, has come to mean an urge for constant change and innovation for its own sake, with little concern for betterment, improvement, and a "gradual movement toward perfection." With millions clinging to this childish belief, is there much wonder that the world has experienced many violent swings of the pendulum during much of its long history?

There has undoubtedly been some net progress in the past 3,000 years. Medicine and science have lengthened, nearly doubled, the life span. Hunger and privation have been banished over large areas of the earth. Brutalizing toil has likewise disappeared from many sections. But it is important to remember, too, that within this short span many great cultures have taken sickening plunges into intellectual and spiritual darkness. Some disappeared, never to rise. Others are slowly clawing their way out and upward, inch by tortured inch.

In this essay, I am trying to smash an idol, a persistent pernicious faith in the excellence of everything novel, or that looks novel – which implies that old ways are therefore bad, merely because they are old. The all but universal acceptance of this concept here in our own country has made many abominable things tolerable, or even fashionable, while many of our tested and proved ideals are now suspect. Warning signals are ignored as "progress" takes us on its dizzy spin through time and space.

Newness Is Not All Progress

As we read the tragic story of great nations for the past 1,500 years, it must be apparent that not all chronological movement was truly progressive, in a sense of improvement or net benefit to the people. The great Saracen civilization gave way to barbarism. Culture and learning in Europe had its ups and downs. Genghis Khan's thirteenth century despotism was no improvement over the tyrannies of the ancient world. Does this look like progress? Yes, if we accept the puerile doctrine that the new must be better than the old; that the old must ever give way to the new and modern, even if it violates our tenderest concepts, and all common sense.

Was the Spanish conquest of

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the Incas, the Aztecs, and Toltecs marked by any net improvement of life generally among these "heathen" people? Doubtful in the extreme. At any rate, most of them showed their appreciation for this enforced "progress" by dying.

Materially, we are still on a progress binge. But this morning's paper carries the startling news that 25 per cent, one out of four youths of 17, get into serious trouble with the law. Is this progress? The use of dope in my state, California, has reached alarming proportions. This, too, must be a desirable state of affairs if we believe those who claim that every substitution of the new for the old means progress.

"The Wave of the Future"

It is doubtful if any one false belief of modern times has wrought more total misery and mischief than this; that all change is progressive, and therefore beneficial. Hence, all old beliefs and lessons should be tossed onto the scrap pile. Such beliefs are inimical to all true progress, for they prompt man to abandon many of his most dearly won advances – his freedoms – even before he has fairly sampled and tasted them.

Much of the success of the communists and socialists is attributable to their finesse in convincing people that they represent the "wave of the future." Actually, neither communism nor socialism is a new concept of human relationships, and their appeal is likely to grow less as it becomes increasingly difficult to maintain this fiction of novelty.

Hold Fast to the Good

In our attempt to demolish the belief that the new is better than the old, because it *is* new, it would be foolish to defend the old on the same specious grounds. When our limited government concept was set up on this continent, it was truly "something new." Nothing in the history of governments had been like unto it before. It is still new, much newer than anything Russia or China has to offer. Yet, its great success was not due to its innovations, its shining modernity, but because it appealed to man's oldest but timeless longing: the desire to be free.

St. Paul said: "Test (try) all things. Hold fast to that which is good." This bit of profound advice ought to be broad enough and sound enough to reconcile the most divergent views. Note well the part about "holding fast" to that which is good, or true. That the "good" might be new, or old, is implicit in Paul's words. He neither said nor did he imply any

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merit in a thing because it possessed or lacked age.

It is true enough that a blind unreasoning worship of the old, the tested, and familiar has held back real progress in many parts of the world, and does still. But this resistance to change can hardly be said to obtain in America. If we except a few insular mountainous sections of the South, the error has been too great an impatience with yesterday's values for the nation as a whole.

In our frantic pursuit of progress, of change for its own sake, we have collided head-on with certain forces that are unchangeable and eternal. Human nature is such a force. It changes, if at all, imperceptibly. If you doubt this, read again Aesop's Fables.

Unchangeable and Eternal

In our frenetic desire to change and mold the citizen into a preconceived pattern, we are stirring up ancient resentments that manifest in many dangerous forms. In the program to give the nation that "new look" socially, we are running afoul of economic principles that were old when Hammurabi was a lad.

Mind, I'm not "agin" progress. But the only kind I'm interested in is the kind defined in the dictionary – that which will *improve* my condition, not just change it.

If we want moral progress, and no real progress is possible except as we move forward morally and spiritually, we shall have to go back, back, to the ancient wisdom of Christ, Moses, Socrates, and others of our "eternal contemporaries."

The Forms of Tyranny Are New

Our modern social planners, experimenters, innovators do not understand real progress. They seem to think that progress lies in chucking overboard the lessons and verities of yesterday for whatever political nostrums and theories they can cook up today. Or tomorrow.

If we take in enough of the time span, the "new" becomes old, and the "old" becomes new once more. At least, this applies in the realm of political, social, and economic values. Certainly there is nothing new about a Welfare State. Governor Bradford tried it over 300 years ago. It failed, of course, for it was in conflict with man's fundamental nature and instincts.

Nor is oppression and tyranny new, though the excuses given by contemporary tyrants and despots may have a bright new ring. But the yearning for freedom, for liberty and individual expression, is as old as time, a part of man's soul. This desire may lie dormant,

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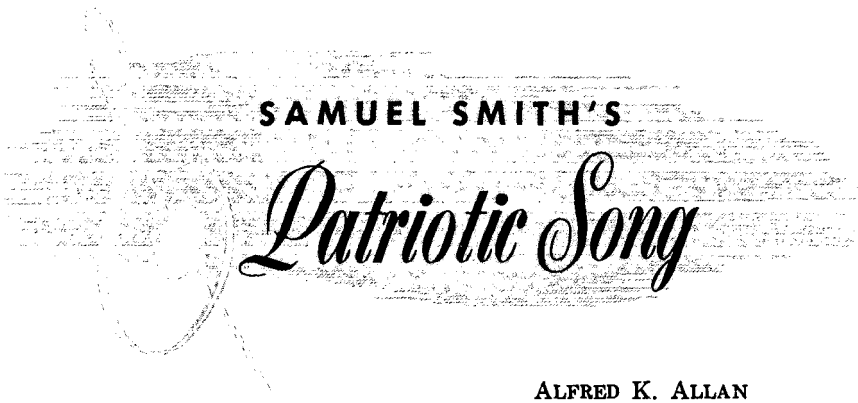
moribund, for centuries, stamped into silence by dictators and their agents, to burst forth again when the time is ripe.

Progress, real progress, does not follow the weary pattern of substituting one variety of slavery for another, a course the world has followed for tens of centuries. Neither hoary age nor the newness of tomorrow can impart any merit, to an idea or a philosophy.

The formula for progress, the only kind that will help man move upward and forward toward his destiny, was clearly set forth by the Apostle. "Test all things. HOLD FAST – to that which is good." • • •



ALFRED K. ALLAN

SAMUEL FRANCIS SMITH was born in Boston shortly after the turn of the nineteenth century. The Smith home was near that city's famous old Christ Church, and the chiming of the steeple bell seemed to beckon young Samuel to seek his calling in the ministry. From Harvard University, where he graduated in 1829, he went on to Andover Theological Seminary in Massachusetts, and ordination in 1834.

One evening in February 1832, after he had finished his studies for the day, Samuel was browsing in the library of the home he maintained near the Seminary. He chose a couple of German language books of children's songs from one of the bookcases, settled

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Mr. Allan writes each month for the magazine *Partners*, and his work has appeared in numerous other American periodicals.

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before his desk, and slowly turned the pages. One song caught his attention, a patriotic tune for children, and the thought came to him that American children also needed a song that would tell of the beauty and goodness of America.

He drew a piece of writing paper from a desk drawer and to the music of an old folk tune began to set down the words of a poem going through his brain:

My country 'tis of thee,
Sweet land of liberty,
Of thee I sing;
Land where my fathers died,
Land of the pilgrims' pride,
From ev'ry mountain side,
Let freedom ring.

It took him just half an hour to write four complete verses of his patriotic song, concluding with the stirring:

Our fathers' God, to Thee,
Author of liberty,
To Thee we sing;
Long may our land be bright,
With freedom's holy light;
Protect us by Thy might,
Great God, our King.

The next morning he mailed his verses to his dear friend, Lowell Mason, a famous composer, organist, and choir leader of the day.

Lowell Mason was greatly impressed. He felt that the song beautifully expressed love of God and country and vowed that he would bring the verses to the attention of all the world.

That Fourth of July 1832, there were special patriotic ceremonies at the historic Park Street Church in Boston. Lowell Mason arranged to have his friend's song performed by the children's chorus at these ceremonies. The young voices rose on the wings of Samuel Smith's glowing song, sending a stir of inspiration throughout the entire gathering. This was the first public performance of *America*. Soon the song was known all over the world and it has become one of our favorite patriotic tunes.

In 1889, our nation celebrated The George Washington Centennial, and Samuel Smith composed a new fifth verse to *America* as his special tribute to "The Father of Our Country." These are the words as Samuel Smith himself read them before a hushed and attentive audience that April day in 1889:

Our joyful hosts today,
Their grateful tribute pay,
Happy and free.
After our toils and fears,
After our blood and tears,
Strong with our hundred years,
O Lord to Thee. • • •

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EDUCATION AND *Freedom*

WHEN he was put in charge of the project of creating the first atomic submarine, Admiral H. G. Rickover ran into unforeseen difficulties with the problem of "lead time." For the type of military equipment needed in World War II, lead time – the time "which elapses between conception of a new idea, its development, and finally its fruition in the completed new article rolling from the production lines" – was two and one-half years. But for things like atomic power plants for underseas ships, lead time must begin in the high schools, with a type of education that is no longer in fashion.

The war-making machines of the modern age (and, inferentially, the peacetime machines of the day after tomorrow) are so complicated both to plan and to manufacture that it takes a long schooling in the understanding of abstract concepts to work on their production. Faced with the task of assembling a staff for the planning and building of the submarine *Nautilus*, Admiral Rickover found most of his supposedly well-educated applicants to be deficient. They tended to be "know-how"-minded – meaning that they knew how to handle certain specific jobs but lacked the ability to apply general principles to things and situations that were still undiscovered. Admiral Rickover had, quite literally, to recruit young men and begin with them at a level of training that should have been a matter of course for them during sophomore year in high school.

His experience with the building of the *Nautilus* provoked Admiral Rickover into making an extended study of American high school education in general. What he encountered was quite horrifying – and the horror drips from almost every page of the Admiral's book, *Education and Freedom* (Dutton, 256 pp. $3.50). Taken in conjunction with Dr. James B. Conant's far more temperately expressed but almost equally critical *The American High School Today* (McGraw-Hill, 140 pp. $1.00), the Admiral's book represents a reaction to the

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modern professional "educationist" control of our public schools that is impossible to dismiss with a remark that amateurs should know their place. The book is too formidably documented for that —and besides, there is Dr. Conant, a professional educator, standing right beside Admiral Rickover to back him up in matters of diagnosis.

Emphasis on "Know-How"

The two men are in profound agreement on the deterioration of the content of modern high school education. For thirty years now the trend has been away from the idea that a student goes to school to master certain basic principles and tools that will enable him to surmount any and all problems in later life. Instead of grounding the student in the art and science of proceeding from the general rule to the specific instance, the modern educator has tended to break things up into little pieces. For example, in place of a rigorous training in physics (which must give the student some understanding of machines in general), the modern high school boy or girl gets a course in how to drive an automobile, or how to repair an electrical switch. Thus "know-how," on an immediate practical level, replaces basic philosophic preparation for life as the predominating substance of a secondary school education.

"Life Adjustment"

It all goes under the name of "life adjustment." "Life adjustment" consists of such things as learning how to work a lathe, how to plane a board, how to cook a simple meal, how to dress one's hair, how to converse with a boy on a date, and how to think about problems of "marriage and family" well in advance of taking a wife or a husband and having children. Indeed, all the things a child was once supposed to learn at home, or in Sunday school, or at the Y.M.C.A., or at summer camp, are now thought of as legitimate material for high school courses.

On the level of "social studies," "life adjustment" consists of learning how to "get along with others." The accent is on the group, not on the individual. "Democracy" thus becomes a matter of learning how to conform to a "norm" that is based on majority opinion. Competition is frowned upon, for the idea of competition involves measuring one's self *up* from the norm, not merely "adjusting" one's personality to it. Unwittingly, "life adjustment" becomes a seedbed for socialistic dependence on the State.

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Admiral Rickover does not deny that it is a good thing for a boy to know how to drive an automobile or repair a leaky faucet. All he says is that the high school is not the proper place to acquire such skills. These require only the shortest kind of "lead time" for their mastery. What the high school should concern itself with is the problem of "lead time" relating to the long-term future of the student. Instead of specific "know-how" courses, the high school should provide the basic fundamentals of language, mathematics, science, and the humanities. Learning to drive an automobile is something for Saturday morning or for any day in July or August vacation period that the family can spare the car.

Deeper Needs Neglected

In substance, Admiral Rickover condemns "life adjustment" on its own terms – it does not really "adjust" the student to the deeper needs of the complicated modern age. If we are to continue to improve the standard of life, says Admiral Rickover, we must educate our talented youth as it has never been educated before. Courses in "general mathematics" (how to balance the checkbook, etc.) will never prepare a boy to design a supersonic plane or make new discoveries in electronics. Nor will a mere two years spent in acquiring a smattering of bad French turn out a logical candidate to work in an embassy abroad.

At times Admiral Rickover slips into broad parody in his zeal to make a point. But the parody is always used to high-light the existence of trends that are unmistakable. In his far more dispassionate way Dr. Conant establishes and anatomizes the same trends.

Corrective Measures

On the mechanics of correction, however, Dr. Conant and Admiral Rickover differ considerably. Where Admiral Rickover advocates the creation of special "demonstration" high schools for bright students, Dr. Conant thinks our problems might better be solved within the peculiarly American framework of the "comprehensive" high school as it exists today. He would simply put pressure on the bright student to take harder courses in the basic subjects. For the "academically talented" students (about 15 per cent of the total now attending high school) Dr. Conant advocates four years of mathematics, four years of one foreign language, four years of English, three years of science, and three years of "social studies" (meaning history, economics, etc.) – a total of

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eighteen "basic" courses requiring fifteen or more hours of homework each week.

Dr. Conant would not rule out the "frills" or the vocational courses for those who are not "academically talented." But he would "limit" his "comprehensiveness." As for Admiral Rickover, he would throw out the frills and put vocationalism where it belongs, in separate schools. As for teacher training, Admiral Rickover is vehement on the subject. To qualify for a job teaching calculus or Latin in a modern high school, one must have spent many dreary hours acquiring "credits" in the "methodology" of presenting a subject. As a result of this rigmarole, the calculus or Latin teacher is forced to skimp his training in basic subject matter. He is likely to be expert in the tricks of getting student attention and deficient in his knowledge of Cicero or Catullus. Admiral Rickover thinks this is a ridiculous situation. Dr. Conant, on the other hand, doesn't seem to be particularly worried about it.

The Role of Private Schools

Neither Dr. Conant nor Admiral Rickover considers the important, indeed the crucial, role which private – or "independent" – schools might logically be counted on to play in the upgrading of American secondary education.

In the past, Dr. Conant has actually advocated the abolition of the private secondary school. Inasmuch as the modern "independent" preparatory school has all along been offering the type of education which Dr. Conant now advocates for the "academically talented" high school student, one wonders if there has been any recent change in Dr. Conant's thinking on the subject of private schools.

A Common Sense Approach

As for Admiral Rickover's proposal that American corporations finance a number of "demonstration" high schools, isn't that a recognition that there may be more hope in the free-wheeling citizen than in the State when it comes to a matter of saving the day for educational common sense?

Indeed, if it had not been for the superior competition offered by the private schools in preparing boys and girls for admission to the better colleges, there would be no contemporary market for books like Admiral Rickover's *Education and Freedom* and Dr. Conant's *The American High School Today*. One hopes that both Admiral Rickover and Dr. Conant will spend some prayerful hours of meditation upon this fact. • • •

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The Uncommon Man
By Crawford H. Greenewalt. New York: McGraw-Hill. 130 pp. $4.00.

WHAT IS the secret behind the Du Pont success story? Listen to a man qualified to speak on the subject:

"First, (the company's) realization that an enterprise will succeed only to the extent that all individuals associated with it can be encouraged to exercise their highest talents in their own particular way. Second, the provision of maximum incentives for achievement, particularly in associating the fortunes of the individual with that of the corporation."

The speaker is Crawford H. Greenewalt, president of Du Pont and McKinsey Foundation lecturer at the Columbia University Graduate School of Business. Mr. Greenewalt's lectures are published as *The Uncommon Man.* Previous titles in the series are *New Frontiers for Professional Managers* by Ralph Cordiner of General Electric, and *Big Business and Human Values* by T. V. Houser of Sears, Roebuck.

The Greenewalt precept of management is, in a nutshell: Stimulate uncommon effort and suppress conformity. It follows that the job of management is to find just the right product-mix of individuality, freedom, authority, incentive, and responsibility. The formula holds for the entire organization, from the top down.

Big as Du Pont is, its president allows no room for "organization men." Take the top management group at Du Pont, for example. It consists of 34 men: members of the Executive Committee plus the heads of manufacturing and auxiliary departments. In surveying the group, Mr. Greenewalt says that about the only common characteristic he can recognize is that they are all very able men and each, in his own way, a rugged individualist.

There is a premium placed on original thinking, and conformity is anathema. The author traces the principle back to 1902 when the first incentive plan was introduced at Du Pont. It carried a provision that, in the conferring of awards, special consideration be given individuals who achieved a goal "in the face of objection, from within and without." The provision still stands.

Conformity is also avoided at Du Pont by decentralization, necessary anyway because of corporate size and operational complexity. Decentralization is based on what Mr. Greenewalt calls "shared responsibility." The author makes the point that while authority can and must be delegated, total job responsibility can

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never be. Authority should be sufficient to discharge fully the responsibilities of the job, but authority and responsibility should be coupled with – to quote from *The Uncommon Man* – "the principle of individual *laissez faire*."

Under these conditions intelligent selection becomes a critical matter. Somebody recently figured that there is a promotion every ten minutes at Du Pont. So personnel appraisals there are frequent and thorough. For the ambitious and the talented, opportunity is always knocking, observes the knowledgeable author.

The essence of good management is to nurture ambition and develop talent. Management should adopt the principle that a business prospers to the extent that all its human relationships – customer, employee, supplier, stockholder, public – are fruitful, harmonious, and mutually beneficial. The principle – and here is where the provocative Greenewalt work ranges into social philosophy with verve and insight – holds for society as well.

The author notes that the United States of America was founded on the grand design of human freedom. He refers to the observation of Charles Darwin that men differ less in the sum total of their abilities than in the degree to which they use them. So, with the stimulus of freedom, reward, and recognition, individuality and creativity blossomed in this country as in no other. Uncommon men were uncovered and common men were inspired to uncommon deeds.

What, then, is the challenge of 1959 and the 1960's? It is, in Greenewalt's words, "to create an atmosphere in which men, whatever their level of talent, gain through their association with one another. When this condition exists, those of lesser gifts are drawn upward by the precept and example of those whose abilities are greater. And those of higher attainments are elevated toward new peaks of achievement with the rising level of the average."

WILLIAM H. PETERSON

The Rise and Fall of Society
By Frank Chodorov. New York: Devin Adair. 168 pp. $3.95.

I HAVE the highest regard for Frank Chodorov's two earlier books, *One Is a Crowd* and *The Income Tax,* but neither is as important as the volume under review. The present book is the result of an investigation of the role played by man's economic activities in shaping the widely various societies in which he has lived. Man is not an isolate, but neither is he wholly gregarious; he is a creature who maintains his iden-

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tity as a person even while living his life in communities. Why do men stay together? How is social cohesion to be accounted for? Numerous theories have been elaborated in answer to these questions, but most of them overlook the obvious and basic fact about man, that he is an economic animal. One of them errs in the opposite direction and insists that he is little or nothing more than that!

Economic activity in a healthy society is in the realm of means, being somewhat analogous to digestion in a healthy individual. A person has aims for his life which far transcend the processes by which his body is maintained; but if these processes begin to falter and work badly, his attention is drawn away from his life's goal and begins to focus on them instead. He becomes a hypochondriac. Given other circumstances he may become a glutton. In any event, he has idolatrously erected means into ends, to the detriment of both means and ends.

Economic activity, too, may become an end in itself for a person whose life lacks more worth-while goals, or even for a society when its value system is scrambled. It is up to a society's religious institutions to keep its value system in repair; and if they fail to respond with new duties to meet new occasions, it is inevitable that the false gods will take over. Then we may have what Nock described as "economism" – the doctrine that the whole of life consists in the production, exchange, and consumption of things. This, however, is far from what it means to say that man is an economic animal.

The Importance of Man

All creatures take the world pretty much as they find it, save man. Man alone has the gifts which enable him to entertain an idea and then transform his environment in accordance with it. He is equipped with needs which the world as it is cannot satisfy. Thus he is compelled to alter and rearrange the natural order by employing his energy on raw materials so as to put them into consumable form. Before he can do much of anything else, man must manufacture, grow, and transport. His creaturely needs man shares with the animals, but he alone employs economic means to satisfy them. This is an enormous leap upward, for by relying on the economic means man becomes so efficient at satisfying his bodily hungers that he gains a measure of independence from them. When they are assuaged, he feels the tug of hungers no animal ever feels: for truth, for beauty, for meaning, for God.

It conveys something like a half truth and a whole error to label

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man a spiritual being. He is, in fact, a spiritual being who eats, feels the cold, and needs shelter. Whatever may be man's capacities in the upper reaches of his nature – to think, dream, pray, create – it is certain that he will attain to none of these unless he survives. And he cannot survive for long unless he engages in economic activity. At the lowest level economic action achieves merely economic ends: food, clothing, and shelter. But when these matters are efficiently in hand, economic action is a means to all our ends, not only to more refined economic goods but to the highest goods of the mind and spirit. Add flying buttresses and spires to four walls and a roof, and a mere shelter for the body develops into a cathedral to house the spirit of man.

The Whole of Human Nature

Chodorov picks his way between two schools of thought, neither of which has much excuse for being except as a protest against the errors and one-sidedness of the other. On the one hand are the economic determinists, who argue as if man were merely a soulless appendage to his material needs. For them, the modes of production at any given time decree the nature of man's institutions, his philosophies, and even his religions. Economics, under this dispensation, will be a tool of the State. On the opposite side of the fence is a school of thought which appears to regard it as a cosmic calamity that each soul is sullied by connection with a body which must be fed and kept warm. Spiritual purity will not be attained until there is deliverance from this incubus; but until that happy day let us try to forget that man has creaturely needs which only the products of human labor can satisfy. Nothing in this scheme to dispose men to pay any attention to economics! But there is a third way.

The mainstream of the Judeo-Christian tradition is characterized by a robust earthiness which makes it as alien to the materialism of the first of the above alternatives as to the disembodied spirituality of the second. Soul and body are not at war with each other, but are parts of our total human nature. It is the whole man who needs to be saved, not just the soul. Creaturely needs are, therefore, legitimate; and being legitimate they sanction the economic activities by which alone they can be met.

Such an understanding of the human situation prepares us to accept the idea that economics is a discipline in its own right, governed by its own natural laws. This tradition also makes it plain that economic action is in the realm of means, and thus properly subject

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to noneconomic criteria. Chodorov arrives at a similar conclusion by a somewhat different route. Economics, he says, "is a science, concerned with the immutable and constant laws of nature that determine the production and distribution of wealth. . . . Economic laws are self-operating and carry their own sanctions, as do all natural laws."

The State Out of Bounds

How do the interrelated parts of this discipline work themselves out? Chodorov has brooded over this question for the better part of a lifetime and presents here as clear an explanation of the workings of the free-choice market system as I have ever read. But if these laws are self-operating, why does the economic order occasionally bog down on us? In answering this one, Chodorov calls our attention to The State, the power structure in society. The out-of-bounds State has never respected the integrity of the economic order, and it has repeatedly intervened at the behest of some individuals to give them an economic advantage at the expense of others.

Carry the question of causation one step back of The State and we find that this monstrosity is fueled by a characteristic of human nature to want something for nothing. Man must earn his bread by the sweat of his brow; this is a basic rule of the game. But man, fallen man, has no intention of playing by the rules if he can get around them. He needs his bread and finds a way to get it with dry brow; he steals it. "Robbery," Lewis Mumford once observed, "is the first labor-saving device." The victim appeals to the constable, but all too often in history he has found him allied with the thief.

The common enemy of all honest men is the bipartisan structure called The State, comprised of those who hold office and wield power, on the one hand, plus the private persons who benefit by the exercise of power designed to give them economic advantage over their fellows. This unsavory alliance tends to enlarge continuously at the expense of society, paralyzing, as it grows, all spontaneous social relationships. Production diminishes as more and more freeloaders climb aboard The State, until finally The Thing can no longer pay its bills and collapses, pulling society down with it.

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can make their weight felt in time. This book is addressed to those "who firmly maintain that only man is made in the image of God, that the State is a false idol." There are many who believe this, and many more who are ready to believe it. But they aren't quite sure what this belief means for them and what it demands of them. This book will help them understand.

EDMUND A. OPITZ

Nationalisation in Britain: The End of a Dogma

By R. Kelf-Cohen. New York: St. Martin's Press. 310 pp. $5.50.

BEFORE the turn of this century, the power and pervasive influence of the British Empire seemed invincible. The England of Queen Victoria, Disraeli, and Gladstone presented to the world a spectacle of empire in its finest flowering and fruition. Now, notwithstanding Churchill's brave words, we witness the liquidation of the British Empire, and what was once a great nation is all but bankrupt.

Twice racked by war, the formerly free economy of England has been further crippled by the nationalization of major industries. Bureaucratic state control of industry has succeeded independent management. Confusion and inefficiency prevail. Interests of consumers are ignored and neglected. Huge annual deficits, incurred by many of the nationalized industries, are squeezed from the taxpayers of England. The socialistic ideals of state ownership and management have been achieved.

The British Welfare State has *promised* security from womb to tomb. It has *succeeded* in taxing its people beyond endurance. Inflation adds its pressures to the manifold miseries of Britain.

All this is described in a new book by a former socialist who personally participated in several phases of it. *Nationalisation in Britain* is a comprehensive, objective study by R. Kelf-Cohen, an official in the British government for the decade following World War II. It presents wise Americans with a remarkable opportunity for extracting a most important lesson from history.

By steps almost identical with those that brought disastrous nationalization to Britain, the United States, a few years later, races toward the socialistic skidway.

In England, socialism was effectively promoted by the Fabian Society. Here, groups like Americans for Democratic Action perform a similar role. Liaison between ADA and American labor politicians closely parallels the relationship that has characterized Fabian-Labor relationships in England.

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Just as the British Liberal Party fell under domination of English labor unions, so a wing of our own Democratic Party has become an instrument of American labor union dictators.

If the current trend is not quickly changed, our state and federal governments will soon be controlled by ardently socialistic union leaders. Michigan, one-time Republican stronghold, even now is so controlled. Labor union dictators now exercise pervasive influence in the national Congress.

Nationalisation in Britain should be widely read by wise citizens of the United States. If the facts so well presented by Mr. Kelf-Cohen could be assimilated by the socialists of ADA and our American labor unions, it is conceivable that the realities of nationalization would temper enthusiasm born of dogma and lack of experience and of present inability to extract a lesson from history. "If some of the criticisms appear harsh," the author writes in his Preface, "detailed evidence will be provided to justify them."

The author was sympathetic with the *philosophy* of socialism until the *facts* of socialism gave him a more mature viewpoint.

LOUIS RUTHENBURG

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A CONSERVATIVE REVIEW

Published Quarterly Edited by RUSSELL KIRK

VOL. 3, No. 2 (Spring 1959)

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MEMO ON PRIVATE ENTERPRISE

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"...Parcel Post should pay its full way... and...not cover freight service..."

The Local Cartage National Conference long has been concerned over continuous efforts by certain groups of commercial shippers who "selfishly" seek to increase parcel post size and weight limitations "for their own benefit at the taxpayer's expense."

In a statement to a Senate Post Office subcommittee in June 1958, the LCNC urged that Congress preserve existing size and weight limits and continue to give active consideration to measures "which will further remove government from unnecessary, unhealthy, and unfair competition with private transportation business."

The LCNC urged that Congress "enact into law measures . . . which would implement the recommendation of the Hoover Commission to eliminate parcel post subsidies by requiring and authorizing the Postmaster General to seek parcel post rates adequate to cover all direct and indirect costs."

The Local Cartage National Conference is the national organization representing the local trucking industry—made up of thousands of small businessmen performing motor carrier transportation services within the nation's cities and their immediate commercial areas.

The LCNC has asserted that "parcel post is by no means an essential function of government" and "is not . . . communication . . . but is rather transportation." It said further, "This is not to mean that we favor elimination of the parcel post service, but rather to point out that parcel post should pay its full way in the Post Office function, and that it should not cover freight service . . ."

The LCNC has pointed out that none of the many local, state and Federal taxes paid by private enterprise carriers "are paid or accrued to 'public benefit' when commercial shipments move via the below-cost parcel post system." Clearly, the positions of the LCNC are in the best interests of every citizen and deserve wide support.

For a free copy of the informative booklet, "The Truth About Parcel Post," address the Public Relations Division,

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REFORM invariably rests its case on the good will, intelligence, and selflessness of men who, invested with the power to do so, will put the reform into operation. And the lesson of history is that power is never so used. Never. I am convinced, on the other hand, that all of the evils of which these honest people complain can be traced to the misuse of power, and am therefore inclined to distrust political power of any kind. . . . The only "constructive" idea that I can in all conscience advance, then, is that the individual put his trust in himself, not in power; that he seek to better his understanding and lift his values to a higher and still higher level; that he assume responsibility for his behavior and not shift his responsibility to committees, organizations and, above all, a superpersonal State. Such reforms as are necessary will come of themselves when, or if, men act as intelligent and responsible human beings. There cannot be a "good" society until there are "good" men.

FRANK CHODOROV

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